

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, June 22, 2022, Regular Meeting
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A regular meeting of the Nevada Commission for the Reconstruction of the V&T Railway was held at 9:00 a.m. on Wednesday, June 22, 2022, in the Community Center Robert “Bob” Crowell Boardroom, 851 East William Street, Carson City, Nevada.

The meeting video is available on Carson City’s website by clicking on the link below:
https://carsoncity.granicus.com/MediaPlayer.php?view_id=2&clip_id=2056

PRESENT: Chairperson David Peterson
Vice Chair Clay Mitchell
Treasurer Jim Wells
Commissioner Stephanie Hicks

ABSENT: Commissioner Deny Dotson

CALL TO ORDER

David: I'd like to call to order the Nevada Commission for the Reconstruction of the V&T Railway. It is Wednesday, June 22nd, 2022. It's 9:12 AM. We are here in the Carson City Community Center Robert “Bob” Crowell Board Room. Could I get a roll call please, Allyson?

1. ROLL CALL AND DETERMINATION OF A QUORUM

Allyson: Clay Mitchell.

Clay: I'm here.

Allyson: David Peterson.

David: Present.

Allyson: Stephanie Hicks.

Stephanie: Here.

Allyson: Jim Wells.

Jim: Here.

Allyson: Deny Dotson. Not present.

David: Great. We have a quorum. If I can get everybody to please stand, we'll do the Pledge of Allegiance. Thank you.

2. PLEDGE OF ALLEGIANCE

All: I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation, under God, indivisible, with liberty, and justice for all.

3. PUBLIC COMMENT

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David: Great. Thank you, everybody. We'll move on to Agenda Item 3, public comment. At this time the public is invited to comment on and discuss any topic that is relevant to or within the authority of this public body. Do we have any public comment or phone?

Kevin: We do have one caller, but I believe it is your attendee.

David: Oh, wonderful. Jennifer, can you hear us?

Jennifer: I can hear you. Can you hear me?

David: We can. That's great. Thank you, Jennifer. That's great. Thank you. Thank you. I don't see any public comment-

Jennifer: Thank you.

4. FOR POSSIBLE ACTION: APPROVAL OF MINUTES OF THE MAY 11, 2022, MEETING

David: -thank you, in the room. We'll go ahead and move on to Agenda Item 4 for possible action, approval of the minutes for the May 11th, 2022 meeting. I think there might be some changes on that one. Allyson, [unintelligible 00:01:47]

Allyson: We do have a handful. We had a transcribing service for this one, so we have a few typos that we need to fix. We do have quite a few so I'm going to go through these quite quickly. We have them written down as well. Page 6, line 2, the word is train, not drain. Page 6, second to the last line, it's steam and you'll see that there is a typo there with a number 48 in the middle of steam. Page 7, the second to the last line, it's turnips not turn-ups. Page 13, line 7, "Lil," L-I-L not little. Page 14, line 28, maintenance of way not away. Page 16, line three, it's Leah, L-E-A-H not Lee. Page 16, last paragraph, Virginia City not virgin. Page 19, line 9, maintenance of way work, not play work. Page 19, last sentence, that's with an apostrophe s not that. Page 20, line 16, inspections you'll notice there's an extra n in inspections on the current document. Page 20, lines 22 and 23, suffix not suffolk. Page 22, line 5, costuming not costing.

Page 22, line 29, V&T not VNT. Page 24, line 9, Leah, L-E-A-H, not Lee. Page 25, line 30, 2022 not 2023. Page 27, line 12, weight W-E-I-G-H-T not wait. Page 28, line 20, trains not trainings. Page 29, line 12, Allyson, A-L-L-Y-S-O-N, not Alice. Page 29, line 24, keepsake not keep safe. Page 29, line 38, riders not writers so there's R-I-D-E-R-S not W-R-I-T-E-R-S. Page 30, line 1, Vinny with a V not Binny. Page 30, line 4, track not truck. Page 30, line 5, Vinny with a V not Binny with a B. Page 30, lines 14 through 16, Fare Harbor. The correct spelling of Fare is F-A-R-E not F-A-I-R. Page 31, line 6, brute B-R-U-T-E not root. Page 31, line 12, street not st. Page 32, sixth line from the bottom, 30 second spelling out second S-E-C-O-N-D not 32 with an nd. Page 33, line 3, the spelling of KOLO is K-O-L-O. Page 33, line 20, needing not meeting. Then page 36, line 21, Linehan not Lehman.

David: Thank you for those changes. Does that cover everything that everybody had? Okay, great.

Clay: Oh, Mr. Chairman back to page 25, I'm not sure that's a mistake at the end. The question that you asked, I believe, is if we put out a bid for 2023 forward, I think maybe that is supposed to be 2023 because I think we were discussing the possibility of jumping right into next year. I would propose that we retract that one off the list of changes.

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David: I think you're right, about that Clay. Clay, specifically referencing the second to last line, Jim, on page 25, right?

Clay: Yes. Jim, I don't think the dates in your comments there were in question. I don't think we proposed to change those. The one that was mentioned was David's response there.

Jim: If you look at it says, should we do another RFP to start in 2023 and then just figure out how to get a simple single [unintelligible 00:06:17] arrangement with whomever we need to get the 2022 done?

David: Oh, got it. That's the one that should be changed to 2022 not the one down at the bottom of the page.

Jim: Correct.

David: Very good. Thank you. It's in Jim's comments.

Clay: Jim's comment.

Jim: This one here. Whomever we need to get. Okay, perfect because we've got to get this year done. This is 2022. FY '23 but calendar year calendar '22. Then we could go out to bid for 2023 going forward.

Clay: My apologies. I was looking at the wrong 2023.

Jim: There was a lot of things in there. I had to remember what we were talking about.

David: Great. We will fix the one under Jim, we leave that one under my comment. Any further edits or anything? If not, I'd be happy to entertain a motion with all the changes that were nicely walked through by Allyson. Go ahead, Stephanie.

Stephanie: Thank you, I move to approve the minutes of May 11th, 2022 with the corrections as noted on the record.

David: Thank you, Stephanie, for that motion. Do I have a second? Go ahead. Okay, Jim. Second. We have a motion and a second. Any further discussion? Seeing none, all those in favor please say aye.

All: Aye.

David: Aye. Any opposed? The motion carries unanimously. Thank you, everybody, for those changes.

5. FOR POSSIBLE ACTION: APPROVAL OF MINUTES OF THE MAY 25, 2022, BUDGET HEARING.

David: With that, we'll go ahead and move on to Agenda Item 5 for possible action, approval of the minutes of the May 25th, 2022 budget hearing. I think the only change we need on this one is just to remove treasurer in front of Denny Dotson was absent unless I missed. Great. Seeing no other recommended changes if I could get a motion on these minutes, I would appreciate it. Go ahead, Jim.

Jim: I'd move to approve the minutes for the May 25th, 2022 budget hearing with the one noted change.

David: Thank you for that motion, Jim. Do I have a second?

Clay: I'll second that motion.

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David: Thank you, Clay. We have a motion and a second. Any further discussion? I'm seeing none. All those in favor please say aye.

All: Aye.

David: With that, we'll go ahead and move on to item number six for possible action, discussion, and possible action regarding approval of the V&T statement of accounts payable checks paid May 1st through the 31st 2022. Jim, I'll go ahead and turn this over to you.

6. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE V&T STATEMENT OF ACCOUNTS PAYABLE CHECKS PAID MAY 1-31, 2022.

David: With that, we'll go ahead and move on to item number six for possible action, discussion, and possible action regarding approval of the V&T statement of accounts payable checks paid May 1st through the 31st, 2022. Jim, I'll go ahead and turn this over to you.

Jim: I don't have a whole lot for here. This is just our normal check runs for the month of May. The only thing I will say that is missing from expense is the credit card discount fees because I just got the bank statements yesterday. I will be working on the revenues the next few weeks.

David: Thank you, Jim. Any questions on the checks payable for May? Seeing none if I could get a motion on this item. Go ahead, Stephanie.

Stephanie: I move to approve the payable checks for May 1st through 31st 2022.

David: Thank you for that motion, Stephanie. Do I have a second?

Clay: I'll second that motion.

David: Thank you, Clay. We have a motion and a second. Any further discussion? Seeing none all those in favor say.

All: Aye.

David: Any opposed? Motion carries unanimously. Thank you very much, Jim.

7. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE ADJUSTED V&T FY21/22 BUDGET REPORT, PERIOD ENDING MAY 1-31, 2022.

David: We'll go ahead and move on to item seven for possible action. Discussion of possible action regarding the approval of the adjusted V&T fiscal '21/'22 budget report period ending May 31st, 2022. Jim, do you want to comment on this one?

Jim: Just as kind of the similar comments. Again, we have not added the ticketing revenue for the regular season trains that started on Mother's Day weekend. We will add those. We also on the revenue side have not added the check that came in or the ACH that came in from Mr. Street regarding the Drako property. That twenty some thousand dollars in May is also not been recorded yet. I think other than that, the expenses are pretty much aligned with what I've approved.

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David: Okay, great. Any questions on the budget through May? Okay, if I could get a motion.

Clay: This is Clay. I'll move to approve the budget report for May of 2022.

David: Thank you, Clay, for that motion. Now can I get a second?

Stephanie: I second.

David: Thank you, Stephanie. We have a motion and a second. Any further discussion? I see none. All those in favor say, aye.

Chorus: Aye.

David: Any opposed? Great. Motion carried unanimously. Thank you very much. Okay, we're going to move on to agenda item eight. Jennifer, are you with us?

Jennifer: I am.

- 8. FOR POSSIBLE ACTION: CONSIDERATION AND POSSIBLE APPROVAL OF THE TRANSFERS WITHIN THE V&T RAILWAY COMMISSION FISCAL YEAR ("FY") 2021-2022 BUDGET, PURSUANT TO NRS 354.598005. TRANSFERS ARE BETWEEN VARIOUS OPERATING EXPENSE LINE-ITEM ACCOUNTS IN THE AMOUNT OF \$165,000. THESE TRANSFERS WILL HAVE A NET ADJUSTMENT IN TOTAL EXPENSES OF \$0.00 IN THE FY22 BUDGET.**

David: Oh, perfect. Okay, so we'll go ahead and move on to item eight possible action, consideration of possible approval of the transfers within the V&T Railway Commission, fiscal '22/'22 budget pursuant to NRS 354.598005. Transfers are between various operating expense line-item accounts in the amount of \$165,000. These transfers will have a net adjustment in the total expenses of \$0 in the fiscal '22 budget. Jennifer, I'm going to turn this one over to you to walk us through it, please.

Jennifer: Okay, good morning. Jennifer McCain. [unintelligible 00:11:52] for your record. What we have here are transfers within specific line-item accounts to make your budget whole in the groupings that we provide taxation with your budget. These expense line items, it's either the actuals were higher than budgeted or in the example of casual labor, nothing was budgeted. To give you some specifics, we will be transferring from advertising and promotions, \$65,000 into casual labor for Polar Express. We will be transferring also from advertising and promotion \$23,000, which would go into your repairs at \$9,800 utilities at \$10,600. We're also going to be transferring out of dues and subscriptions. \$14,000, special event expenses \$14,000, and capital outlay \$49,000. These will be distributed between your special events Polar Express, and operating supplies for Polar Express.

These transfers total \$165,000 and will not change your total net expenses because we're using unused budgeted funds. I'm happy to answer any questions that you might have.

David: Thank you, Jennifer, for walking us through that. One thing that we want to make sure we have enough left in is the advertising and promotion. I'm going to let Allyson jump in really quick because I think we might have to make a small adjustment just based on what we know the spend for June is going to be.

Allyson: Correct. I'm talking right now with our ad buyer to determine how much is left to bill for ad buy because we do have some campaigns that ran in May also that are running through the end of June. We've

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got billboards, TV, as well as digital displays. Don't quote me on the penny, but I do believe that we have around \$19,627 left to bill on general advertising through the end of the fiscal.

Jennifer: \$19,000 how much?

Allyson: 627. She's diligently trying to add up numbers right now. That's the raw estimate for both May and June.

Jennifer: Okay, that definitely does cause a little bit of an issue.

David: Jennifer, oh, go ahead. Sorry. Go ahead.

Jennifer: Without knowing that I would have to definitely redo some of these numbers, but I do see on a quick-- your professional services unless you have money, you can tell me how much you have planned to spend that are there in June? There is \$37,000 available there that if I can supplement some of that.

David: Jennifer, are you looking at 53070-000, that's the line item you were referring to?

Jennifer: Yes. Yes.

David: Would we need to take roughly about \$8,000 of that then to cover because I think we were at 100 for the marketing? We've spent 88. I think we had like 12 left for June, but we really need almost 20. Would we need to take 8?

Jennifer: I would need-- Yes, I would want to lower the advertising promotion to \$23,000 at applied 3601. If we lowered that to 15, I would say we're probably good. Then you could take the additional out of [unintelligible 00:16:22]

David: How does everybody feel about that adjustment to offset for the marketing that we have yet to be billed for June? Does that seem okay?

Jim: I think it's fine with me, but we don't--

Jennifer: I think I'd rather take-- Go ahead.

Jim: I was just going to say, but the caveat there is we would need to make sure that whatever remains in that is enough to cover June expenses for professional services.

David: Yes. Agreed.

Jennifer: Do we have an expected amount for professional services?

David: Give us one second. Allyson is looking at that right now.

Jennifer: All right, I'm going to look at your history really quick.

[silence]

Jennifer: So far in June, we actually have brought that balance down to \$28,000.

Allyson: Allyson Bolton, for the record, looking at our professional services currently, our current hours are-- we're actually relatively lower than average. We are right now around \$4,000 we do have another week

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and a half in trains this weekend. I would anticipate it's hard to throw a number out there. If we are conservative, we could probably, I want to say, \$7,000.

David: Beyond the four that you already have.

Allyson: Total.

David: Plus 7. Okay.

Allyson: I'm thinking it will be between \$7,000 and \$8,000 total for June.

Jennifer: If I look back in May, you spent \$16,400 between Storey County, your law offices, and Atypical

Allyson: It's hard to compare our services in that because we were just starting in May.

Jennifer: Okay.

David: Jennifer, they would have had a little bit more time just to get the Depot ready, because we had launched right?

Allyson: May was late. Now, I think about it. We got heavy in June.

Jennifer: Right. In May, you offered two payments to the Storey County, which you won't have that. I think that is a high amount. Are you anticipating more payments for your engineering or legal?

David: I would think they'd be similar. Ken and Mike, unless you guys disagree, I think they'd probably be similar to the previous months.

Jennifer: We've already paid one.

David: Okay.

Jennifer: To both of them. Is that going to be it for June?

David: Ken and Mike, you guys will still have probably some June invoices or at least one invoice probably coming from each of you.

Ken: Again, professional service invoice from [unintelligible 00:20:05] consulting for June, at this rate, it's going to be I'm going to say \$1,000. Double it to \$2,000, it would be extremely conservative, but there's not going to be very much. Gabe hasn't had me doing a whole lot of work.

David: Okay. Jennifer, did you hear, Ken? Potentially up to a couple thousand and then Mike will have similar probably, unless Mike, if you want to jump in similar invoice to prior months coming from Mike Rowe as well.

Mike Rowe: Similar.

Jennifer: All right.

David: Thank you, Mike.

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Jennifer: Currently you have \$28,000 available in that budget? Not the 37 because we have paid some June payments. If we take everybody's conservative, we're up to about 14 possibly. If we leave 16 in there, I'm comfortable with that, which gives us \$12,000 we can move.

David: Okay. We're only talking about moving it.

Jennifer: Transfer.

David: Yes. Then Jennifer, would we just move the 8 just to get us the difference of almost 20 for the spend versus what's left? Would we just have to move eight or would we move the whole 12?

Jennifer: No, I wouldn't move the whole 12. I'd prefer to 9 and leave a little bit of a bumper in that advertising, since it doesn't sound like Allyson has some concrete final numbers. I'd rather leave more of a buffer in there.

David: Go ahead.

Jennifer: If you're okay with--

David: Jennifer, will you, Jim wants to make a comment real quick.

Jim: I have that we've spent about \$22,000 as of the June 4th check run in marketing. If there's another \$19,000, that's going to be about 40, a little between 40 and 41.

Jennifer: Which advertising are you in? Are you in the Polar or the regular?

Jim: This would be regular because we didn't really spend a lot of money on Polar. I don't have any problems with the Polar portion of it, the 70, actually, you only took 65. I think there's more like 70,74 in there. We just didn't really spend that much in Polar, but in the regular one, that \$40,000 budget, it's pretty much going to be exhausted. I don't think that there is much more than \$74,000 to take out of that line, which is a \$14,000 difference than what is on your spreadsheet for transfers.

Jennifer: Yes. I'm seeing that we probably shouldn't touch this advertising at all because since I've done this, there have been payments that have gone through-

Jim: Yes. Absolutely.

Jennifer: -that I've been aware of.

Jim: I would take out the--

Jennifer: I'm going to cross out that whole advertising.

Jim: Yes. That \$23,000.

Jennifer: Do you feel that Polar Express, you're not doing any advertising in that for the balance of the year?

Jim: No. There won't be anything in there for the balance of the year. You could take the balance of what's in that account, which that gets you to \$74,000, it's 500 or whatever, if you want to keep it even \$74,000.

Jennifer: We'll take 74 from there and that will alleviate-

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Jim: That leaves you with 14.

Jennifer: -an additional \$9,000 there. If we take 14 out of your professional services, that leaves you with approximately 14 in there. That's cutting it pretty close-

Jim: That's cutting it a little close.

Jennifer: -from what you're telling me, what you're doing.

Jim: Here would be my recommendation, which is actually on the next line item is to add money to the augmentations because we've got significantly more in the property sales or whatever we call that GL, than the \$85,000 that we're adding to it. I would be a little bit more comfortable increasing the augmentation than shorting us on the budget transfer.

Jennifer: Yes. That does make sense. I agree. I'll increase the advertising picks transfer out to \$74,000 and take off the advertising in general.

Jim: That would be my recommendation too.

David: What's the offset on the two side then? Is that what you were just saying, Jim? We have to make an adjustment on the left side of the two.

Jim: Yes, you would--

Jennifer: Correct.

Jim: You would take the difference out of whichever line you want to take it out of. We're just going to fix it in the next-

David: Agenda item.

Jim: -agenda item.

David: Okay. Is there a preference, where you would like to see that 14?

Jim: I'll leave that to Jennifer. For me, it doesn't matter. At the end of the day, we're going to be at the same place. It's just which line item that makes it easier for her.

David: Okay. Jennifer, we're referring to you.

Jennifer: If nobody has a preference, I'll just take it out of the bottom operating supplies for Polar Express.

David: Okay.

Jennifer: We'll reduce the Polar Express transfer into \$14,000. Now we're transferring \$151,000 out of advertising dues, special events and capital, and we are transferring it into casual labor for Polar, repairs, utilities, special events for Polar, and operating supplies for Polar.

David: Okay. Is everyone comfortable with those changes then? We'll have 14 for operating supplies instead of 28. Gives us a 151 on the total for the two side. On the front side, our advertising for PEX becomes a negative 74 instead of negative 65. Then our advertising and promotion is technically a zero.

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Jim: Eliminated.

David: We would eliminate it, but it goes from negative 23 to a zero. That gets us a total of 151 on the front. Do we like that? Okay. Any further questions for Jennifer? If not, I would entertain a motion on this item.

Clay: Mr. Chairman, would you like that motion to spell out those changes?

David: I think so. Would prefer that.

Clay: I can do that?

David: Yes. Thank you.

Clay: This is Clay. I move to approve the transfers within the V&T Railway Commission of fiscal year 2022 budget, pursuant to NRS 354.59805 with the following changes. Total amount to be changed to \$151,000 will eliminate the proposed transfer from the 53601-000 account. We will increase the amount on the 53601-232 account to \$74,000 and we will reduce the transfer into the 53024-232 operating supplies account to \$14,000. Transfers are between various operating expense line-item accounts in the amount of \$151,000. These transfers will have a net adjustment in total expenses of \$0 in the fiscal year, 2022 budget.

David: Thank you for that motion, Clay. Do I have a second?

Jim: I'll second that.

David: That was great.

Jim: That was a super motion.

David: Thank you. We have a motion in a second. Any further discussion. Seeing none, all those in favor, say aye.

All: Aye.

David: Any opposed? Motion carries unanimously. Thank you, everybody.

9. FOR POSSIBLE ACTION: CONSIDERATION AND POSSIBLE APPROVAL OF AUGMENTING THE V&T RAILWAY COMMISSION FISCAL YEAR ("FY") 2021-2022 BUDGET, PURSUANT TO NRS 354.598005. THE AUGMENTATION IS USING UNANTICIPATED REVENUES WHICH WILL INCREASE BOTH REVENUES AND EXPENSES IN THE AMOUNT OF \$170,000 WITHOUT ALTERING THE NET INCOME.

David: Let's go ahead and move on. Then Jennifer, stay with us for possible action agenda item number nine, consideration, and possible approval of augmenting the V&T Railway Commission fiscal year '21/'22 budget pursuant to NRS 354.598005. The augmentation is using unanticipated revenues, which will increase both revenues and expenses in the amount of \$170,000 without altering the net income. Jennifer, I'm going to let you start this one out as well.

Jennifer: Okay. After all that confusion, I think I've got some things settled on this one. This is actually an augment, not a transfer. We are increasing our budget in a few revenue areas, which allows for actual revenues that have already been received. Therefore, we can explain why we are increasing that budget for actual budget expenses that have been spent. We are now changing this augment. Will be a total increase in

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the revenue budget of \$184,000, which is for equipment sales. Was increasing that by 85, we are now going to increase that budget by \$99,000, which gives us a revised budget of, going backwards, \$163,000. Historical fees we are also increasing \$85,000, which originally had a zero budget.

We need to increase the expenses of trained services by \$46,500, which had a zero budget. Train services for Polar, we need to increase that budget \$123,500, which originally also had a zero budget. Then from our previous item, we need to increase operating supplies for polar by \$14,000. This won't have an effect on the net of everything, but it will increase your revenue budget and your expense budget by \$184,000. I think I got that all. Please ask questions.

[laughter]

David: Yes. Thank you, Jennifer, for walking us through the additional change. Does anybody have a question? Okay, Jennifer, just one second, Jim's keying in the new change and has a question.

Jennifer: Okay.

Jim: My first question, or my first comment maybe, on the budget summary page where it shows all the schedule F-1 where it shows the increases and decreases to the budget, the \$85,000 that we call historical fees, they are actually part of our ticketing costs. It's really an operating revenue, not a miscellaneous revenue. That's included in the price of the tickets. I would've expected that to be in--

Jennifer: What exactly is that then? Okay.

Jim: The tickets have-- I don't know. It depends on how you buy your tickets. Each ticket has kind of two components. A base ticket has two components. The fee to ride the train, and then we charge a \$10 historical fee that historically has not been subject to the commissions that we have to pay Rail Events. That's why we have carved out that \$10 because that historical fee historically has not been subject to that commission. We get a little extra money without having to pay the commission to Rail Events, and so it is part of the ticket price.

Jennifer: Okay. I did not know that. All right.

Jim: Neither did I at the beginning of this year, so don't feel bad.

[laughter]

Jennifer: Okay. 34710-232 should move out of non-operating and into train tickets.

Jim: Correct.

Jennifer: Okay. Thank you very much. I'll make that change

David: Just so I'm following along then on that change, Jim, under non-operating revenues where it was proposed, the revision was \$85, that will be zero, but the \$85 will go up top under train rail bike tickets.

Jim: Correct.

David: Okay, thank you.

Jennifer: Correct. Then the 85 for sale of property will increase to 99.

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Jim: Correct. Then I've got a couple of concerns based on where I think we are today versus what we are putting into the budget. My calculations as of June 4th's check run was that we had spent \$266,850 between Polar and non-Polar trains, but we're proposing to increase that budget only to \$266,000. We still have runs for Father's Day weekend and for this upcoming weekend, which I think they've been running about \$12,000 a day, so that's another \$50,000 worth of expenses that are going to go into that train services line item above the \$266,850 that I have today. I don't think that that's enough, and so my recommendation is going to be to increase that sale of property by another \$70,000.

Then we would put \$50,000 of that into the train line item, \$4,000 of it into the Polar Express miscellaneous line item, which I have expenses of \$364,500, I think it is. Then the supplies and services line item, I have that we are already at \$78,400. That does not include the credit card discount fees for the tickets that we've been selling for the current train season. That would be another increase to the services and supplies line item. I would recommend putting another \$16,000 in that line item.

Jennifer: You have how much in operating supplies?

Jim: In the supplies and services line item, I have \$78,380.

Jennifer: 78, Okay.

David: That's through June 4th, you said, Jim?

Jim: Through the June 4th check run.

David: Through the June 4th check run. Okay.

Jim: Yes, not necessarily through June 4th expenses, but through the checks-

David: Check run.

Jim: -that we have issued as of June probably May expenses only. Yes. The big thing that you're going to see in that line item, and this is based on working with the information that came from Jennifer when we were working on these augmentations, the only thing that's really going to increase at this point is those credit card discount fees. Everything else is already historical. It's already passed, but given the fact that--

Jennifer: How much do you want to put there?

Jim: My recommendation would be to put another \$16,000 there because I think that the credit card discount fees are going to be several thousand dollars anyway. I just don't know because I know we're selling out, so if we're selling out the trains, it means we're going to have a fairly significant number for the discount fees.

David: Yes, I would agree, Jim.

Jennifer: You haven't done those for April and May yet, correct?

Jim: No, I just got the bank statements yesterday, so my goal was to have those done in a couple of weeks.

Jennifer: Right.

David: [silence] On this sale of property, Jim, prior to the discussion of the \$70,000, we moved the 85 to 99, so we're still adding 70, but to a new number of \$99,000, not 85. Is that [crosstalk]?

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Jim: Correct. You would have an increase of \$169,000. With a new budget of \$233,000. We've already brought in to date \$243,000, so we still have more money than we are augmenting.

David: Sure. Okay.

Clay: Jim, you listed three different expense accounts that would go to train-related, an additional \$50,000 would go there bumping that up to a \$220,000 augmentation, an additional \$4,000 and I didn't catch what the second one was there--

Jim: That's miscellaneous Polar Express so we'd be at 836.

David: Correct.

Clay: Okay. The third was supplies and services with an additional \$16,000 bumping into 52?

Jim: 53.

David: I think 53 because of plus 16.

Jennifer: You're putting the 16 in credit card fees?

Jim: Yes. That would be the GL.

Jennifer: 53032

Jim: 53032, correct.

Jennifer: 5316 is getting an additional \$50,000?

Jim: Correct, that's the trains.

Jennifer: Where am I? Okay. I got the 16, I got the 50. The \$4,000 is going into miscellaneous 5650-0232.

Jim: The \$4,000 would go into-- just to make it easy, I would put it into-- Where is that line?

Jennifer: Can we put it into operating supplies 53024-232.

Jim: That's fine.

Jennifer: Change that from 14.

Jim: That's where I would put it. 53024-232.

Jennifer: That gives us the additional \$70,000.

Jim: Correct. I hope that gets us through June.

David: My fingers are crossed.

Jim: Mine too.

David: Jennifer, do you feel good before somebody attempts to make a lovely motion with what we just discussed, or are you comfortable? Is that working out on your own?

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Jennifer: I'm comfortable with it. I have a learning curve as to what you guys expect to happen in June. In my world, everything winds down in June. You guys tend to ramp up, so I was a-

David: We're just getting started

Jennifer: -little unprepared for that [laughs].

David: It's tough splitting the fiscal years here. All right. Does someone want to-- Well, any further discussion at least as far as what we discussed? If somebody wants to try to put a motion out there, acknowledging the changes, I think, to the different line items and maybe the totals. Was that you raising your hand, Clay?

Clay: I don't know if it pulled together in a way that makes sense.

David: Jim, do you want to give this a shot, Jim? We'll just give you a second to--

Jim: I would move to approve that we augment the V&T Railway Commission FY '22 budget pursuant to NRS 354.598005 using unanticipated revenues which will increase both revenues and expenses in the amount of \$254,000 without altering net income. That \$254,000 is \$85,000 in the historical fees line item which will be under the ticket sales and 200-- Let's see. And \$169,000 under the equipment sales 36540-000 GL to total 254,000. On the expense side, there'll be \$14,000 added to the operating supplies Polar Express 53024-232, plus another \$16,000 for a total of \$30,000 in the Polar Express operating supplies line item. Increasing that \$79,600 to \$95,600. That's not right.

David: We need the other four.

Jim: The \$4,000 goes in there. The \$79,600 would increase to \$83,600. The total new budget would be \$364,600. The \$50,000 train-related services. The \$170,000 will be increased to \$220,000 for a new budget of \$316,000, no, \$336,000. Too many moving numbers. \$316,000. Then the services and supplies line item would increase from \$37,000 to \$53,000 for a new budget of \$86,375. I think that's all of the lines.

David: I think, Jennifer, does that jive with what you have?

Jennifer: I'm trying to keep up, I think so.

David: I think it's right because that's what I had written down. We have a very short motion from Treasurer Wells.

Clay: Do you need a long and eloquent second?

David: I could use that.

Clay: I'll second that motion.

[laughter]

David: Thank you, Clay. We have a motion and a second. Any further discussion. Seeing none. All those in favor, say aye.

All: Aye.

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David: Any opposed? Motion carries unanimously. Awesome. Thank you, guys, for working us through this. Thank you, Jennifer. Wonderful. Let's go ahead. Hang tight if you can. No, no, no. I think we're okay actually. Oh, well, there's one more. There's one more. You're right. You're right. Thank you, Jennifer.

10. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE TERMINATION OF LAW OFFICES OF MICHAEL S. ROWE, EFFECTIVE 7/31/22.

David: We'll move on to agenda item 10 for possible action. Discussion and possible action regarding the termination of Law Offices of Michael S. Rowe effective July 31st, 2022. I'm going to let Stephanie take it from here.

Stephanie: Thank you, Chair. I would ask if it is the pleasure of the commission that we hear both 10 and 11 together if that's okay.

11. FOR DISCUSSION ONLY: DISCUSSION REGARDING AN AGREEMENT OR CONTRACT WITH THE CONSOLIDATED MUNICIPALITY OF CARSON CITY TO PROVIDE LEGAL SERVICES, EFFECTIVE 8/1/22

David: Yes, of course. Let's go ahead and open up for discussion only number 11 as well, discussion regarding an agreement or contract with the consolidated municipality of Carson City to provide legal services effective August 1st, 2022. We will hear both of these items, number 10 and 11, at this time. Thank you, Stephanie.

Stephanie: Thank you. Following the discussion that we had at the commission retreat, I had conversations with the Carson City District Attorney's office. I think some of the things that we talked about was the fact that we have a very restrictive budget this next year and we're trying to figure out how to make things work. We also have some larger issues that are coming up that are going to require more time needed for legal services which therefore would incur more cost. What I wanted to advise the commission today is that there is an opportunity for the District Attorney's office to provide legal services at the same cost that we currently have our contract rate with Mr. Rowe which is the \$20,000. However, since the billable rate won't be as high and actually, we probably won't even bill it on an hourly basis, we were considering perhaps a lump sum payment. We would actually get more services for the cost.

The chair and I discussed this with Mr. Rowe, particularly in light of our current budget situations. We're very appreciative for him hearing us out and also providing the letter to us that we presented in the commission packet. One of the things that we wanted to be really clear about is while he provided us the letter of termination pursuant to the contract, the chair and I aren't authorized to make that determination. The commission needs to decide if that's the direction that we should go and we would need to provide a 30-day notice. In thinking about this a little more, we were proposing if the commission is in agreement that we would terminate Mr. Rowe's contract on July 31st.

That's a little bit longer than the 30-day notice, but what that would afford us to do is, first of all, work on getting a contract in place with the District Attorney's office. Then secondly, the other thing that I was contemplating was I do have some bandwidth right now in the executive office with our staff that we have an intern this summer and we would be able to work with Mr. Rowe's office on getting copies of the records for the V&T Railway Commission. What I would propose is we could pick up a couple of boxes at a time if that's agreeable to Mr. Rowe and we could actually scan them and create electronic files and return the originals to him. That way, we could have an electronic file for the commission, and I'd also be more than glad to provide an electronic copy to Mr. Rowe as well.

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We've just wanted to bring all of this for consideration to the board. I think the two things that we would need to do is if in agreement, then we would at this point look to terminate the services of Mr. Rowe, which I just want to go on the record that I know that he has been part of this commission for a really long time. We appreciate everything that he has done. In discussing it with him, he had indicated to us that he likely would not have extended his contract. We have one more year on there. He likely would not have extended his contract after that date. I bring it forward to you at this time and in advance of the actual termination of his contract just because we really do have this opportunity where the DA's office is willing to take this on for us. In light of our budget, I think it's a good direction for us to go. With that, I'm available if there's any additional questions.

David: Do my peers have any questions for Stephanie? Mike, please, if there's anything you would like to say, I would echo what Stephanie said. I mean, you've been an amazing individual to support this commission for probably 30 years, I think. 25, maybe 30 years. Very grateful for the work that you have done on behalf of the V&T Railway Commission but please, Mike, if you want to say anything or if there are any questions that anybody has-- Okay, I don't see any. Obviously, for 10, I would need a motion from someone to move forward under number 10. If somebody is inclined to make one.

Jim: This is Jim. I'll make the motion to terminate the contract with the Law Offices of Michael S. Rowe effective 7/31/22.

David: Hey Jim, thank you for that motion. Do I have a second?

Clay: I'll second that motion.

David: Thank you, Clay. So, we have a motion and a second. Any further discussion? Oh, yes. Go ahead, Jim.

Jim: Yes, I just want to express my thanks to Mr. Rowe as well. I think that he has been an integral part of this commission for a very long time, and I do really appreciate that. I also appreciate Miss Hicks working with the DA's office to get this even better lower costs than I would have originally expected from the DA'S office. I do appreciate that work as well.

David: Well said, Jimmy, there. Thank you, Stephanie, very much and thank you to the DA's office as well for considering taking this task on. We have a motion and a second. Any further discussion?

Clay: Yes, Mr. Chairman. I'll just also add my thanks to Mr. Rowe for being some of the glue that has held this commission together and frankly if I had to work with this motley crew, I probably wouldn't want to renew my contract either.

[laughter]

Clay: Going forward, it's probably not going to get any easier but as we've discussed many times before, we're kind of in some ways an orphan commission where we're not provided for some of the basics that we need to survive and function. Really having to look at how everything is structured and how we can maximize the revenue that we do have and make sure that we can continue being a going concern. Appreciative of everyone's flexibility, actually, and looking at going forward how do we try to get the best outcome and make sure that it works for everybody. Thank you for the good work that's been put in.

David: Thank you, Clay. All right. We have the motion from Jim, we have a second. All those in favor say aye.

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All: Aye.

David: Aye. Any opposed? Our motion carries unanimously. All right. Thank you, everybody, and thank you again, Mike.

12. FOR DISCUSSION ONLY: DISCUSSION REGARDING THE RECONCILIATION OF ACCOUNTS PAYABLE DUE TO STOREY COUNTY.

David: We'll go ahead and move on to agenda item 12 for discussion only. Discussion regarding the reconciliation of accounts payable due to Storey County. Jennifer, I'm going to let you, if you don't mind, just get us started on this. I'll remind everybody that this ties back to something that came up in the audit and it may be that we have some different information, or we as commissioners, maybe not given the full explanation from the audit in terms of this accounts payable dollar amount.

I would like to have Jennifer, who had a great conversation with last week, just get us up to speed, I guess, with a couple of the amounts or an amount, I should say, that is included in the audit and that's what this agenda item is for. Just so we could have some discussion about it before the end of the fiscal year, which we were I think obligated to do based on some of the notes from the fiscal '21 audit. Jennifer, is it okay if I just turn it over to you?

Jennifer: Sure. I'm not really sure where to start. I did have a conversation with Dave and with Jim separately going over both of these where I came up with the amount due. I started from my balance which was paid of \$535,739, which was the balance due from the V&T to Storey County as of June 30th, 2019. At that time, the V&T was to be getting their own bank account, no longer processing their payables through the Storey County bank account.

With items that actually I don't think any of us were really a part of, what I know of that is hearsay and actually processing the payables. It took a while for checks to be ordered. When checks were ordered, they came with the wrong account numbers, which caused us to have to void V&T checks and pay your bills through the Storey County bank account. This went on from July 1st, 2019, through August 2nd, 2019, which is where I come up with the amount due currently of \$321,041.33. This amount was reflected in the V&T's audit at an amount due of \$319,363 and in Storey County's 2020 audit of \$314,669. It's my opinion that both 2020 audits and auditors did confirm this, both boards signed off on this amount.

Coming 2021 audit, the auditor, for reasons unknown to me, decided that this amount was probably not due. I have gone through everything back to that \$535,000 forward and I come up with a third amount. I think I'm happy to provide any detailed information that anybody wants to see, answer any questions that I have. I'm not sure what else you want me to go over but I'm happy to answer any other questions.

David: No, Jennifer. I think the thing is, I had said to you when we were chatting that the whole bank account situation was definitely something that I didn't understand or I'll just be honest with you, I didn't really know what was going on. I knew there was a separate bank account. I didn't realize, even though we had the separate bank account, the checks didn't work, and then the wrong numbers. You guys were still paying. I shouldn't say still. Well, yes, I guess technically you still continue to pay bills even though we had our own checking or banking account. The 319 on our page 14 of the audit where it says, "In addition, amounts included and due to other governments as a current liability to total \$319,363. That's close to the amount that you determined is the amount of total cost that you paid. When I say you, I mean Storey County paid for us from the first of July 2019 through the second of August 2019, plus or minus. I know we're close, but okay.

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Jennifer: Correct.

David: Do you think--?

Jennifer: I do have to say that I have not seen any bank statements from that time period. I've been working with Wells Fargo; I'm not getting really anywhere. I don't know if you guys have bound copies of those. Jim and I did talk about that. From everything I can tell on my financial software, the only revenues that went through Storey County were license plate fees. Those license plate fees; Storey County did cut two checks to the V&T and pay those out and they are now going to the proper bank account. Other than that, I see no revenue that has been coming into Storey County. From the records, I can just see all revenues were determined during the [unintelligible 00:59:36] reconciliation as they are now. They were not processed through our cashiering system. Without those bank statements, I have no idea where your revenues went.

David: Okay, go ahead, Jim.

Jim: I think that is where-- and I don't know that it is necessarily the auditors that question the payable. I think it was more me that questioned the payable based on the fact that we would have been expending money, but we would also have been bringing in money during that same time period. If we've got these expenses, where did the revenue go? We're still missing that piece because until we see the bank statements, we don't know the revenue from the ticket sales. This is 2019, that is a full summer season and a full Polar before the pandemic. This is a lot of money that would have been coming into the commission's bank account.

That was my premise behind questioning the \$320,000. It wasn't that we necessarily didn't owe the \$320,000 or didn't need to pay it, but where was the offsetting revenues going? For us to be able to say, "Yes, we collected the revenues, we owe this money back to Storey County for things that they paid," I'm good with that. I think if we can find the bank statements or get the bank statements from Wells Fargo that show that the revenue came in, and frankly, even if they didn't, I think at this point we do owe the \$320,000 to Storey County and we need to pay it back. That being said, I still want to see where the revenues went.

Jennifer: I think it's a good point that brings me to that you were collecting the revenues in your own bank account because that \$535,000 that was due June 2019 wasn't paid until May 2020 when the excess revenues were there in the bank account. I think your bank account was building at some point, but that excess \$535,000 did not reflect the \$300,000 worth of bills that you had. You wouldn't have possibly been able to pay that at that time from what I remember. Does that make sense?

Jim: Continuing on that process brings me to the point I've been making for months now that it is almost becoming apparent that the commission is running at a deficit and a significant one. We are living off of one-time revenues for property sales from the Drako note that is getting us through that is not going to be there in a year. We've got another \$65,000 a year or so coming from Carson City that's not going to be there. I don't know where the money is going to come from to keep this commission paying the bills.

If we pay the \$320,000 from our bank account today, we'll leave us about \$200,000 in cash which is not enough to pay for the other line item that's on there, which relates to the \$250,000 for the Freight Depot in Storey County that was part of one of the operating agreements between the two organizations at some point in the past. We still have to deal with that too.

Jennifer: I think that that exact problem is what got us here today because if the V&T had the \$320,000 at the time, we were writing those checks, this would have all been taken care of back in 2020. Hence saying, "Okay, we'll let it ride until you have some money." No one saw what was going to happen in the past two

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years, of course. My issue with letting it ride now is something needs to be done official. Whether it's this meeting or another meeting after we get the bank statements is probably a safer plan, but this amount is owed, and moving forward, we'll set up a payment plan, or by the end of Polar next year, the money should be there wherever you guys are comfortable with doing that.

Added to that other \$250,000 for the Freight Depot, I don't think that that's something that we can deal with right now. Storey County has purchased the Freight Depot. I am waiting on some discussion on our end. Whether we want to forgive that, we don't need you to be a part of that, or let's make a payment plan, that's not something that's under my authority to make those decisions. That would have to come from the county manager and bringing it to our Storey County commission, but I would like to leave that portion off of this discussion for now.

Jim: I would concur. This is a discussion item only, but my preference is to put this as an action item for the next meeting to pay the \$320,000 and get it off the books. You're now talking in July, but we can remove it from the books because it will be a post 630 transaction that will be for June. Just get that part off the books and then as Ms. McCain said, us and the Storey County commission are going to have to figure out what to do with the \$250,000 because to me that's a real problem.

If we're going to do it, it's going to have to be on a payment plan. Again, I go back to where's the money going to come from? We are looking at next year and I don't know what the revenues are looking like. It sounds from what we've been seeing that our ridership percentage is higher than we had budgeted which is a great thing, but is it going to be enough?

Jennifer: I think under that discussion, moving forward, the V&T needs to really take a very close look at what they're paying for and why. I'm in total agreement with Jim is once these revenues are gone, there's going to be some trouble. If you don't start planning for it now, there's going to be no coming back from that.

David: Yes. Agreed. As the Roy Street payments., when they end, they end. We are going to make the 65K payment, it'll process tomorrow for fiscal '22. Then we have one more \$65,000 payment assuming our transient occupancy tax revenues hold for fiscal '23. Then that annual \$65,000 goes away after next fiscal year '23. You're right, we've got some holes to figure out how to fill.

My question, I agree about bringing this back as an action item to deal with it in July. In the meantime, I'm still a little confused. What bank was used in between when we were with Storey County and then we went away from Storey County before we came back to Storey County. It's not the Wells Fargo people, right, or we don't know? I'll jump in for--

Jennifer: My only assumption is it was Wells Fargo.

Jim: Okay. We were always with Wells Fargo?

Jennifer: With the check issue. No. Prior to coming to Storey County, you were Bank of America if I'm remembering correctly.

Jim: That's one of the things I did see in some of the information that I saw from Jennifer as part of my questioning this. There was a closeout of a Bank of America account at some point. Then they would have gotten a new Wells Fargo account. Then from there, I think there was the problem with the checks and the routing number or the account number and they didn't clear. My concern and why I ask about the revenues is when you change bank accounts like that, where did the money go? Usually, that stuff today is linked directly to our Wells Fargo account.

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When Fare Harbor processes transactions every day, we get a deposit into our bank account. If our ticketing system was set up to deposit money into a Bank of America account and then we changed it, did that get changed properly, and did all of that money get credited to us? I don't know this either, but I think at some point in this juncture, we changed ticketing systems.

David: That's true, yes. Go ahead, Jennifer. Sorry.

Jennifer: I do believe that prior to that June 30th, 2019, that \$535,000, prior to that, there were revenues that were going into the Storey County bank account as we were paying your bills out of the Storey County bank account. Things get very murky before that \$535,000 is why I used that as my cutoff to start moving forward. Both sides agreed on that amount. The amount was paid and there was definitely a time where you did not have a bank account.

David: Oh, if we didn't even have a bank account, you're right, then with the ticketing system, where was the money going in the absence of--?

Jennifer: Those would have all went into the Storey County bank account. I'm not prepared to dig deeper in prior to June 30th, 2019. The paperwork is limited at best. I do have a recollection that Elaine was keeping books on QuickBooks as well as what we were doing here. That's more time than I have to go back and do that kind of investigative accounting-

David: Sure.

Jennifer: -to see what happened there.

David: I think before the next meeting in July, we should see maybe do we have April statements in one of the conexas. If we don't, then we engage Wells Fargo to try and get the statements that start with July of 2019 and go through June of 2020 because it seems like we're missing the entire fiscal year of '20, right?

Jenifer: Yes.

David: Go ahead.

Jim: My understanding is that now that we've changed some of the things on the online banking, I believe that Storey County has access to two years' worth of bank statements. Every month that you go forward, another month rolls off. We can probably access the month of June 2020 for another few days, but the month of July 2019 through May of 2020 are gone and you're going to have to pay Wells Fargo to do the research and make those statements unless they agree to waive those charges. That goes into a whole another discussion that I don't want to get into about changing banks.

David: My question would be since Elaine is not with the commission anymore but can somebody call and access and get these statements or are they going to say, "Elaine was the one that was on the account during that time."?

Jim: I think as signers, either Jennifer or I should be able to write Wells Fargo and say we need copies of the bank statements for these 11 months. I think that she's been trying to do that.

Jennifer: I have been talking to Wells Fargo, and I actually only have access to 12 months. I was on the phone with someone, Raquel, to help on June 14th. We had really bad phone service. Made another appointment. For whatever reason, she couldn't make it. Then I had an appointment yesterday that was

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supposed to be in the afternoon and the gentleman called in the morning, which is during our commission meeting. I have sent emails to him again to please set up another time. I am working on it that way.

I really don't understand why I can only see 12 months' worth of bank statements. If I go on my personal bank account, which is not with Wells Fargo, I can see all kinds of bank statements. As Jim and I discussed, we're a business, why are we limited to the amount of bank statements we have when a personal account you can see a lot more? I would push in that direction before we pay for getting these bank statements. It's all going to come down to what Wells Fargo decides they want to do. They can hold you captive in this kind of a situation.

David: Jennifer, if I heard you correctly, you want to stay the course, hopefully, and get in touch with these folks and see if they're going to be able to provide us with those statements back to July of 19. If that doesn't work, then we go in a direction where we have to purchase, I guess, paper copies or something of the statements. Is that okay?

Jennifer: Right. Yes. I think if you guys have a possibility where things might be, it would be helpful to look.

David: The only place they might be, I'm looking at Allyson, Ken, and Gabe here in the maybe the blue conex maybe.

Allyson: When we cleaned up the office itself, we don't recall seeing any bank statements in there. We can go and check again; it was a year ago. Just to double-check, do our due diligence on that role. There is a refrigeration truck that also has a lot of documents in it. However, it has been quite saturated with the local-- [chuckles] How do I say? It needs a professional to go in and clean it up before any of us would be able to touch those documents if they are still touchable, to be quite frank. The digital files that we were given, at one point in time I tried to organize it and I ended up just making a bucket that says, "Allyson on."

Then we have access to before Allyson, but it's from Elaine's computer, V&T Commission. It's folders within folders within folders. I can do a deep dive to see if I can find them within the folders, but doing a quick search of Wells Fargo, I'm only getting the things that we have saved since we started. We can do that. We can keep looking. I know I've gone out with Gabe before to the refrigeration truck to just peek in there to see if it looks like there's anything that says bank but it would definitely take a little bit of work on our end to do that.

Jennifer: Was everything given to you in binders? Elaine was a very binder fanatic person from what I remember.

Allyson: There are several binders. You are 100% correct. I'm trying to visualize the binders. I'm seeing some of the reporting that we're required to do, meeting minutes, et cetera. Like I said, that is something that if I have time today, I can go and check again to see if it's in there. When we first started, we were getting emails. It looked as though Elaine had attached her personal Wells Fargo account to the V&T's account in order to gain that online access.

When we had asked Wells Fargo to break that out, a part of me wonders if she was keeping them digitally somewhere or just letting them stay in the account itself and not actually downloading them. Like I said, I can do a little bit more deep dive to see if I can find it. To be clear, we're looking July of 2019. Correct?

Jennifer: Correct.

David: Through June 2020.

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Allyson: To June of 2020.

David: That whole fiscal year, yes.

Allyson: We will do our best efforts.

Jennifer: Thank you.

David: I would say you don't have to spend even four days trying to comb through stuff. If you have the binders and quick peek--

Clay: What was our augment on that professional services?

[laughter]

Allyson: Should be started.

Jim: They have an hourly fee at Wells Fargo too but the difference is that they should be able to quickly access it as opposed to spending a lot of time doing it. I wouldn't spend a lot of time if we can't find it and just pay. It's what you get for having a commission that doesn't have permanent staff or a permanent location for housing records. I will tell you that when I've been reconciling every month, I reconcile to the bank statements so I know that what we've done in fiscal year '22 matches the bank activity.

David: I would say check binders, we don't do the deep dive in the refrigeration truck. Then let's pursue on Jennifer's end. If Rachel calls you back or the other fellow, I don't remember his name, but calls you back and you're able to see if we get access. If not, then let's pay the fee to get digital copies of those statements or paper or whatever we can get our hands on. I agree. If we can get them digitally, that would be great because at least we could all see them and try to piece together some of this revenue stuff.

Jennifer: Excuse me.

David: Yes, go ahead.

Jennifer: I checked my email and Bernice with Wells Fargo is available after 3:00 today, so I might have an update for you that I can email out.

David: Oh, that'll be great. Thank you, Jennifer. Jennifer, thank you again. As I said, I really appreciate your time on the phone last week to educate me or enlighten me, I guess, or both as to what was going on during this odd one-year period. It seems like it's 33-day period but in terms of what was happening. For that, I thank you. We will get this resolved. For sure if we can't get it figured out with these statements for next month, at least August.

I agree with Jim, I think we should try and square this part of it up next month if possible. Thank you. Any further discussion on 12 as far as the accounts payable from the audit?

13. FOR DISCUSSION ONLY: DISCUSSION REGARDING THE RECONCILIATION OF V&T RAILWAY TREASURER'S BUDGET ACCOUNTING IN COMPARISON TO TYLER SYSTEM

David: Let's go ahead and move on. Jim, we'll get into 13 for discussion only, discussion regarding the reconciliation of the V&T Railway treasures budget accounting in comparison to the Tyler system. Do you want to?

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Jim: I hope Jennifer doesn't hang up because I know we have been working on this. I think really what it's come down to is a couple of things. It is on my side, and this is the way I've done it, everywhere I've ever been, you gross the revenue and you record the credit card discount fees as an expense. It's what we did at the state. It's what we do on other stuff. When the revenue comes from the ticketing system, it's a net. The fees are already taken out of it. I think when some of these revenues have been recorded from the ticketing system, they're coming in at net and being left at net.

I think that's probably one of the biggest differences between what I have and what Storey County has related to that, as well as a deposit that was a reduction of expenses, similar to what we have for the utilities reimbursement and the track maintenance reimbursements from Freedom Rail. That's another one that will be a reduction of expenses, not an increase in revenues. There was a deposit that was made from Carla Wilson that was a reimbursement that we had paid her too much for salaries or for the labor for the Polar Express, and it was put into as a deposit.

I think once those get done, and I think that there's a difference between who does the revenues in Storey County versus-- it's not a normal check run. It's not an expense, you have to do it as a journal entry. I think the recording of the expense for the credit card fees is what's missing. Jennifer's aware of those, and we will have some more of those when we reconcile April, May, and June. We'll have some more deposits and some more credit card fees that are associated with that. I think those are the big ones. There are a couple of other small ones, but I think those are the really big ones that I see out there.

David: Is the plan to just do, I don't know if that's the right term but a bulk JV entry to move this or, Jennifer, is that--?

Jim: That's a Jennifer question.

David: Okay. Is that how we are going to handle things, Jennifer, is just JV the money around when we get this--?

Jennifer: Yes, I think that's probably the best. When Jim can give me some actual numbers, then we can just go ahead and do a journal entry and move that money where it should be. I think we've pretty much cleared up the way it was happening and now it's happening correctly, right?

Jim: Yes. I think going forward because we haven't had any of the discount fees since Polar went off sale in December. We haven't had any of those. The only revenues that have come through January, February, March have been the license plate revenues, which are pretty easy, and then the payments from Roy Street when he makes them. That's pretty much all that we've had coming in for those three months. The reconciliation of revenues was pretty easy for January, February, March. It's April, May, and June that we're going to be back to what we were doing in the fall.

David: Then, Jim, you mentioned that Freedom Rail did send the check overnight of the check for their half pursuant to the agreement that we have with them for all the utility costs and the maintenance and the rail bike inspection. Once that gets deposited, then that's deposited. Okay. Jennifer, does your team take and do the offset to all those expenditure GLs that make up that \$11,800 or whatever?

Jennifer: We would do that GL, yes. Is that what you're asking me?

David: Yes. If Allyson has to do something or you need Jim, I don't know if we have their initial stuff or how that works.

Jennifer: I would need somebody to send me-- Go ahead.

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Allyson: Sorry, Jennifer. Normally I would send the receipt of the deposit, but based on this conversation today, I just deposited a few days ago so I haven't sent that. I just wasn't sure is that something that goes to Dore? Is that something that goes to Lindsey? Do I attach everyone on that? [chuckles]

David: Everyone,

Allyson: Everyone, okay.

Jennifer: All the revenues should go to Dore, should be included in that.

Allyson: It's not technically a revenue, and I think that's where I was confused.

Jennifer: Right, but it is attached to your receipts, your revenues.

David: Oh, because of the nature of it being a deposit.

Jennifer: Right, because what happens with that is Dore reconciles all your revenues, all of your deposits. If she sees a deposit that comes through, but it's all not actually a revenue number, she's the one that's going to need to know that because that's only done during the bank reconciliation process because you don't actually deposit money through us.

David: Perfect. I see some head nodding, so I think everybody's okay with how we'll handle that. Thank you, Jim. I know you had asked for this to be placed on this agenda just so we could address some of the variances, I guess, in terms of the two sets of numbers. Does anybody have, Clay or Stephanie, any questions? Are you comfortable with--? Go ahead, Stephanie.

Stephanie: I don't have any questions. I just wanted to thank both Jim and Jennifer because I think the conversation for this item and the one previous are very helpful in just bringing us all up to speed with where we need to be, so thank you.

David: Agreed. Huge thanks to both of you. Go ahead, Clay.

Clay: This is, I'll save it, not particularly for this item.

14. FOR DISCUSSION ONLY:

David: Great. If there's no further discussion on 13, let's go ahead and move on to 14, which is our monthly non-action items, so these are discussions only. With that, we'll go ahead and move on to 14A, the operations report. Allyson, take it away. You're going to put it up on the TV. Great. Thank you.

MONTHLY NON-ACTION ITEMS:

**a. OPERATIONS REPORT – ALLYSON BOLTON, ATYPICAL CONSULTING
AND EVENTS**

Allyson: Here we go. Allyson Bolton for the record, operations update. Quickly, we're going to go through our buckets, operations, assets, board relations, and marketing. Really the last May and June has really been heavy in operations. We have been trying fervently in the last few months here to really shift from this board relations that we've really been living in to really get in the operations and clean things up over on that side of things. The big update is that we just came back from the Polar Express Camp in Durango, Colorado. Leah and I went and, gosh, was it remarkable. It was quite worth all the effort, all the travel to get there.

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To make it sure, really, I'm quite a chatty Cathy when it comes to being in classes, and so I was very vocal about where we are and what we're doing and where we're struggling and so forth. It was quite remarkable to see not just Rail Events, but a lot of the other railways say, "Gosh, we want to help you." They rallied around us. We went out to dinner every night with a different railway. How do you do it? What does your budget look like? Where could we fix this and that? It was really eye-opening for us in that we were right on some things in our budget and then other areas in our budget, they went, "You're spending what?" [chuckles]

We also discovered we have a lot less staff than a lot of other train operations. What Leah and I are doing is really four to five people plus. Again, the production side of it was really the eye-opening, or what we call production I discovered it's not production. We're looking at reformatting what the Polar Express event looks like and how that is structured based on this camp.

Rail Events is planning to send out their main production person. Ed, we're just going to say Ed because I can't pronounce his last name, he did come out during the beginning of Polar and he helped us launch and gave us feedback, et cetera. Really what Rail Events is saying is we're going to send the main production person that puts on their Polar Expresses. We're identifying possibly September for him to come out and sit down with us, look at everything. they provide scripts, they provide sound. He'll get on the cars with us and look at our sound equipment. Clay, I'm hoping you might be able to come up as well to take a peek at it.

Clay: No, he can handle that.

Allyson: Okay, great.

[laughter]

Allyson: There's no reason this can't be a remarkable production, let's do it. They were quite impressed with what we've already accomplished and what Leah and I pulled off last Polar Express on not really knowing what we were doing. To make it short because this is a longer meeting, but just to update you guys, what we're looking at doing is essentially putting it into buckets of front-of-house manager, which would really be Leah handling ticketing. We're hoping to identify a ticketing person in addition, so handling ticketing, security, parking, merch, all of those things at the depot itself. Leah and I were dividing and conquering that this last season.

We're looking to bring on an hourly person to help her at the depot. I would then be what's called a production manager, which is really handling the onboard experience from once they're in the loading bay forward. I would be the one handling do we have enough cookies? Is everything stocked correctly? Is everyone happy? Managing unruly customers, cranky customers, all of those things. Then having a director, which actually the director traditionally would only handle up into the event. Then a stage manager would take over after that and the director steps away.

Did we have a director and a stage manager? Yes, but we were looping things from different buckets in a way that I don't know that we were doing it efficiently and putting a lot of stress on limited people. We're looking at dividing this up a little bit more, putting me on board, bringing in a director that then would transition to a stage manager. We are chatting with Rail Events. They've actually identified a few people that might be interested in that position to come here and do that. We're, again, looking at the budget and figuring can we maybe trim that a little bit because traditionally speaking, that position is a stipend, it is not hourly.

We were paying hourly for it at a rate that apparently is an off-Broadway production rate. Again, they're coming out. They're going to look at it with us and tell us what to do, which we're very excited about. This is all going to happen really in the next 60 days, to be frank. We're looking to go on sale for Polar in July,

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August at the latest, and really wanting to have those pieces in line before then. Outside of all of this, we also identified a dance group out of Tahoe that used to be involved with our Polar Express. They handled the acting side of things.

They, I believe in 2019, decided to not come back due to some reasons. They have reached out and they're interested in coming back and possibly having one of their dance troop people help manage the cast and crew. We're jockeying the two scenarios or maybe putting it together of the dance group out of Tahoe, bringing in a director/stage manager, doing a traditional casting call, et cetera. Again, it was very eye-opening. It was very fruitful and we're really looking forward to this year's Polar Express. In addition to all of that, some of the other things that we're working on, I'm putting together some group contracts to bring special groups in.

Working through what does that look like to bring in a group, putting together a more structured policy. Just this last weekend or upcoming weekend, we found out there was a group that was allowed to rent out a whole car for 25 tickets. I said, "Can't do that." [chuckles] We're a learn as you go, make the policy as we go not knowing some of these questions that are going to come up and say, "What's our best judgment call for the trains' future." Of course, our response was, "Sure, you can have the car at 70 tickets. You can bring on the alcohol, you can bring your food, that's totally fine, but you have to have your own car and you have to buy that car out just to keep them separated from the rest of the group."

Again, just different nuances that we're trying to work through and create some more policies and procedures for the train moving forward. Customer service, as soon as we went on sale, it's just gone exponentially. I would say on average, we get around 45 to 50 calls a day, about 10 to 12 voicemails of those 40 to 50 phone calls. A lot of our time is just returning those calls and answering questions. Are you sure you're sold out this weekend? Yes, I'm sure we're sold out this weekend, which leads me to the next thing, our numbers. With the exception of-- I believe we had one run that wasn't sold out, but for the most part, we're selling out. We sold out last weekend. We sold out mostly Mother's Day. One train was a little bit light. We're looking to be sold out for this next upcoming weekend as well. We are getting phone calls of why we're not running those three weeks in July. We're just trying to say as best that we can that we're trying something new this year and trying to keep our costs down, and with also allowing everyone to ride the train.

We are directing them up to Virginia & Truckee when we are not running and they're usually very thankful for that. I think what we're finding is people call us, they don't realize it's two separate operations and they say, "Yes, the long line's not running, but ride the short line, it's great." We talk about that and for the most part, people are quite happy. We're still negotiating that third private charter to happen in October. We're still determining our costs for a toast. I still want to do a toast of the Canyon, but just working with Tom to determine the costs for those before I can determine a ticket price for that, and then go on sale.

Unfortunately, a lot of our efforts are going to shift towards Polar at this point, but if we could do one, that would be great. Again, just waiting on the costs on that. I'm trying to determine where the best place to talk about it is. Probably with camp. We sat with Jared, who's the vice president of Rail Events, as well as Ed. We did a brainstorming on sponsorships for the Polar Express and what that could look like an additional revenue stream. I know I've said it a few times of we need to pursue sponsorships, but what does that look like? What are we allowed to do?

It does look like Rail Events as well as Warner Brothers is being a lot more lenient in terms of sponsorships. They are promoting it much more than they have in the past, mainly because their runs, they manage four locations. They're now investigating sponsorships. Funny how that happens. [chuckles] For example, Walker's Cookies is now doing all of the onboard cookies for them at their four different destinations. What

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are we allowed to do with marketing? What are we allowed to give away? What are we not allowed to give away? As a non-profit, any sponsorship revenue is not susceptible to the royalty that we have to pay.

That is in simultaneous with walking down production. I'm walking down. We're putting together a sponsorship packet and it's really going to be broken into two different categories in kind, which basically they would provide something. For example, we really need tablets or I'm using our personal laptops right now to check people in and whatnot. The Depot itself needs a tablet or something to manage those ticketing things. If, say, it's not Leah or I that's doing it, let's reach out to someone to see if they have tablets, and then they're the sponsor of our ticketing. They're our ticketing sponsor.

That in kind, what can someone give? Can they give cookies? Unfortunately, we had to lock in cookies. We placed the order with Granny B's, but something for the future similar with the Walker's relationship, how can we eliminate that cost by someone, giving it to us in kind in exchange for marketing value. One that we are going to be moving forward is-- I don't have the creative name for it essentially, but I'm going to have them sponsor hot chocolate. Basically, I'm taking the cost of what our hot chocolate is. We have to use the Polar Express cup, but we don't have to use the Polar Express napkin. Their logo would be on the napkin to go with the hot chocolate and the cookie. That will be a monetary sponsor.

We're looking at those types of opportunities to put together a full deck for sponsorships that would be available on our website. Hoping to hit it through the marketing as well. I would love-- If anyone wants to be on a committee for sponsorships, I'm more than for it to try and identify corporations, companies, foundations that would be interested in partnering with us. Again, I'm excited about it. We just really have to put the pieces together and put the vision in action right now.

David: I'd be happy to help with sponsorships.

Allyson: You don't have enough.

David: I love doing that kind of stuff. I'm really super glad to hear that they're allowing for that and then there's no royalty because you guys, I think we've left a lot of money on the table. Whether we have a host hotel sponsors of the PEX transportation with shuttles, they can sponsor a shuttle run or two or three. I can tell you count us in as Carson City as a sponsor however you feel best that we could be a part of that. My goodness, I just think this opens up some really cool opportunities for us.

Jim: For \$65,000 extra a year, I'll let you be a sponsor.

[laughter]

David: What can we do for \$65 dollars?

[laughter]

David: Jeez, Jim, having to let people go now on my team. [chuckles]

Allyson: Thank you. We're more than happy to have you. The interesting part is Rail Events does still want to have some control over it, so they have to approve all sponsorships. They want to approve the sponsorship deck, but they also want to approve who is the sponsor to make sure that it is not in opposition with Warner Brothers. For example, Warner Brothers has a contract with a large phone carrier. If you have a competing phone carrier that wants to come in and help sponsor, that would need to essentially put up the food chain to Warner Brothers.

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My question, of course, in class because I'm not ever one to be shy of questions was because they made a blanket statement, no national sponsorships, national companies, they want to keep it local, I'm like, "Okay, great. We're in a destination where we've got national companies here. We have Tesla, -

David: Google.

Allyson: -Panasonic, Google, Apple, Microsoft. Are you telling me I can't?" The response was, "Can they just sponsor the railway as a whole?" My experience with events is no because people want to be associated with something exciting, something that people are coming to, not just a general branding thing. Of course, we left it as, "You get the sponsors and we'll talk about it." Again, the top two priorities really right now is that sponsorship deck and then the onboard experience for hiring a director.

David: This is great. We're talking about losing these one-time sources of money. If we could pull some dollars in that help offset our actual expenses that we've been paying cash out the door, this is really cool. This is great. I'm glad you guys went.

Allyson: Thank you.

David: I thought it was just a vacation to Colorado.

Allyson: I did as well.

David: God, you were working hard.

Allyson: I did as well.

David: I feel like I should go next year. No, thank you. It's great.

Allyson: What's fun for us as event planners is that it's an event in place, we're not recreating a new event, and then we're just able to execute the money that we're investing into our event and pulling other people on board. I still want to do a large fundraiser. Two weekends ago, we raised \$500,000 for another non-profit, but again, we had to spend a lot of money to make that money.

Our expenses for that event were \$100,000, and so to make it the proper environment to raise that money. We haven't really pulled the trigger on that because money is the issue. We're going to invest in Polar on that sponsorship and see if we can get the revenue increased there, and then have a little bit more money to play with to then create the large fundraiser where we are bringing in millions of dollars. That is the goal.

Freedom Rail, we've received the check for utilities. I just deposited that a few days ago. I believe they are wanting to go on sale, they have not gone on sale as of yesterday the last time I checked. The plan, I believe, is for them to start this weekend. I've asked to give them a phone call today, which I'll be calling them after this meeting to determine what do they need from us to go. A lot of our calls that we are getting are when are rail bikes going on sale? I'm hoping to, at our next meeting, say we're off and running and things are running smoothly. That is another goal.

Clay: May I ask, last year didn't they start quite early? Is there a broad-brush difference between the two years why they're not up and running yet?

David: Yes, so can I jump in?

Allyson: Go for it.

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David: It's two issues, one was reconciling the revenues. We still had an issue where they owed us some monies on the revenue side. The other piece of the equation was there's almost \$12,000 for their half of the utilities, and that was just resolved by virtue of receiving the check last week. There was a check that was mailed presumably I think three or four weeks ago. We never received it. I re-engaged them and asked them if they could overnight another check, a replacement check. We needed to get those two things cleaned up, but you're correct, under normal circumstances, they probably start in April.

Allyson: That is correct. Assets in full transparency was light this last month, really just moving more of our operations into the steel building. What we were calling the ticketing building, we're now calling it the office, and so all of the files are in there. Ken coordinated with Manhard to deliver all of those files into the yellow building. What we're looking to do with that building is we will run ticketing for Polar Express out of there. General season is going to be out of the steel building, it just makes more sense at this point, but we'll be able to utilize--Since we don't have the shop running in there, we're going to take one of the offices and create back stock storage for Polar merch. I hopefully, for the other one, want to create a meeting space so that we have a meeting space to meet at moving forward. Still cleaning up that office. Really, it's a clean slate at this point. Each time that we're there running trains, we go in and do something new to keep it clean.

Ken: Real quick, as far as the electrician on your list, I think Gabe can show him where the external underground pull boxes are for the conduits that run from one side of the yard to the other yard because he's going to want to run some additional conductor wires through there. You may also ask him to take a look at the somewhat outdated solar system. Batteries for that solar system were put in in 2009 and their conventional lead core batteries, and they're I'm sure short. I'm not sure if that system even functions at all at this point.

David: [unintelligible 01:48:23].

Ken: All right.

Allyson: Thank you, Ken. Apparently, one of the new operations people with Freedom Rail was an electrician and is currently. I've been waiting for them for us to be at the Depot at the same time to have them just take a peek at it, and if not bringing someone in. Board relations, in an effort of hopefully efficiency, as I mentioned, we put the meeting minutes through a transcribe service this last meeting for the May 11th meeting. Generally speaking, we spent about two to three times the meeting plus the meeting going back through the recording and making sure that we capture everything, so we did save several hours doing that. However, as we saw, it wasn't a perfect system.

I do think spending more time on the transcribe will still eventually be less than the time listening back through it and us trying to transcribe it. I want to try it one more time to see if we can perfect that system a little bit more to save a little bit of our time and money on the meeting minutes. We're still trying to work through our credit card. I'm working with Jennifer on that. The card that we have works online, but any sort of physical location will not work, gets declined.

I'm ending up having to pick up things or using David's card if he's available to run that card, say we have to run to Home Depot and get keys made. That's where that's happening. Wells Fargo, I thought was going to be sending out a new card for us. They thought it was a stripe issue, I've yet to see the card. We're working through that, working through the payables. We have some issues right now with actually Carson City Public Works. We're working through that. One of our payments got posted to the wrong account and it looks like maybe two or three more maybe got posted to the wrong account. We're sorting through those two things trying to identify and get those penalties taken off.

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Then Roy Street, I just talked to him yesterday. He is late on his June payment, so the 5% has been added. He is mailing a check to our PO box for his June payment. We did preface that electronic transfer is preferred. At this point, I just would like to get the money. We said, "Send the money any which way that you can." Status quo, moving forward on board relations, commission meetings, accounts payable. We do have an upcoming meeting with VTRR to discuss the contracts with Commissioner Mitchell and Commissioner Hicks. Yes, working on timelines.

Jim: We used to use transcription where I worked before, and it will take them a few meetings to get used to the terminology and things that you're using. Don't necessarily give up on it right away. What I would do is, either you or Leah need to read through it. I think you would've caught a lot of the things that were on there.

Allyson: Yes. I read through it and I added in all of the agenda items and things like that, and clearly missed plenty. [laughs]

David: I take some fault for that too, because I try to look for the bigger things, but obviously missing little things with the missing ages and things of that nature. Part of it for me is, I'm probably doing seven other things at the same time and trying to look at these minutes. I'm going to have to-- I'll do better. I'll just have to probably do it at night where I don't have distractions and I can actually just focus on the minutes and seeing how [crosstalk]

Allyson: Admittedly on our end as well, it's putting more time towards it. In my ideal world, it was, "We're going to save all these hours and do this transcribe. This looks great. Add some things in, send it off." I do think with the added time on the transcribe, it'll still be less than the time it was taking to re-listen to the meeting.

Jim: Yes. Like I said, as they get more and more familiar with names with voices with-- they'll pick it up.

Allyson: Okay. Thank you [silence] Marketing is working. We're selling out across the board. We are finalizing a rack card. Since our team's not able to be at the Steam Up, we'll be out of town, we're going to, Lord willing, with printing timelines, provide a rack card to the Carson City booth as well. I'm hoping for the VTRR booth as well since we won't have our own booth with our information about the V&T Railway. Working with a different designer for this one, that's a little bit more affordable to see if it works. I think it's similar to a transcribed service. Trying to get a new graphic designer to get the feel of your brand and the voice of your brand et cetera, does take a little bit of time. This was a "We need this now." We're hoping to have that finalized.

Northern Nevada Moms will be coming out. They were hoping to come in June. It doesn't look like it's going to pan out for this next weekend, but we're hoping to get them to come out. It's a very popular blog that is very Reno-heavy. They also do try to highlight the surrounding areas as well. They did come to the Polar Express and do a beautiful write-up on the Polar Express. We're going to do one for the general trains. We did send out an additional email marketing in the last month it was for-- we announced Mother's Day at the start. Then this was just the launch of general season steam, all the dates, et cetera. Remarkable open rate, 44%, which is really high, which tells me that our audience is very engaged.

Anytime that anyone calls us on the phone, we say, the best place to go to get information is joining that email list. We don't do those. They're not really consistent, it's more of an as-needed basis. We did teeter around the idea of should we do a monthly roundup of here's what's going on at the V&T. I haven't completely dismissed it. It's just more of a matter of time at this point and trying to jockey the priorities and where we need to invest that time.

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David: I'm not putting Allyson on the spot. I'm trying to get some verbiage language that we could send something out to our database for The Great Western Steam Up. I'm going to get something through so we can push something out because I know we don't have the trains running. This audience is perfectly suitable to come and participate I think in that July 4th weekend event. I hope to get you something hopefully today because our influencer group is in town as of tomorrow. Actually, we just had an influencer come in. **[unintelligible 01:55:29]** was her first name. I don't know her last name. I was chuckling at her name because it's such a unique name.

She specifically, and I don't know, she mixed the weekends up, but she actually was coming here for The Great Western Steam Up. It's not this weekend, it's the following weekend, unfortunately. Anyway, the word is definitely, it's out there to have someone pop up that out of the blue. I had Lydia talk to her because she was going a mile a minute about my, "My Instagram, my Instagram." I said, "Oh you need to talk to Lydia."

Allyson: Does she want to ride the general train or is she going to do bikes?

David: I'll follow up with Lydia and see where they arrived at, as far as her timing. That would be cool to get her on the regular train. I think it'd be awesome.

Allyson: Yes. Saturday is sold out, but we do have some space on Sunday,

David: On Sunday. Okay. I'll make a note of that. Thank you.

Allyson: Or we put her on the engine [chuckles].

David: Oh, yes. There you go. Oh my God. Yes. With the selfies that these-

Allyson: The engineer's going to love that

David: -Instagramers do, I mean, yes. I don't think you can wear swimsuits on the locomotive though. You get all dirty and stuff. It's crazy, these influencers. Anyway, I'll find out. I'll let you know.

Allyson: Yes. Just let us know. We connected prior to the meeting on the email blast for the Steam Up. Probably I'll have time this weekend to put that out.

David: Thank you.

Clay: Sorry. I just had a thought, as an organization, do we have any direct connection to FAMs and other organized opportunities like that or do we need to bounce those through from the DMOs?

David: It'll be one or two things. Either as an individual DMO, we'll put a FAM together. We're up at Lake Tahoe or down in the Douglas County Area. We always try to incorporate whether it's railbikes. In fact, that's one of the big things. When Allyson gets an answer, this particular June FAM group that we have, which we're spending pretty good money on with a company locally is helping us to organize this, but they specifically wanted to ride railbikes. We're still fingers crossed that we can make something work. The Reno-Tahoe Territory also, there's opportunities through the territory as well.

There's six of us as DMO. You have Northlake Tahoe, South Lake Tahoe, Virginia City, Visit Carson Valley, Visit Carson City, and then Reno/Sparks. RSCVA, we are a part of that as well. RAD Strategies, which is Ronele Dotson's Company, they handle those opportunities on a territory level. We have some rules around that. You have to at least have three or more of the six DMOs for us to consider something, to make it worthwhile to spend territory dollars that we get usually through Travel Nevada on a grant basis. Unless

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Allyson gets a phone call, we are always all. I'll talk a little bit under 15 about something that we just undertook.

Anytime we have an opportunity, we want to get people on the train or the railbikes. The difficulty for us is sometimes it's the transportation piece. I'll just speak for Visit Carson City. Fortunately, thanks to parks and rec, we have a shuttle this time. It's timing. We can't give up six hours where they would ride the train, be in Virginia City for three, and then take the train back down. We have to figure out either they start here and then we have to loop the shuttle up. Get them to come back and drive them back down, or we'd have to figure out a way to start in Virginia City, ride the train down to Carson City, then loop the shuttle back down to the Depot.

That's been a little bit more difficult from a timing perspective because if there's one thing I know on FAM tours, this stuff is by the minute. I have an entire itinerary for our Thursday all the way through Sunday for our June influencer group and it's pretty tight. We have little buffers in there if we run into traffic-related issues, moving around from Lake back and forth but-- I hope that helps to answer the question on the DMO level. Then on the territory level, is usually how they come through. Allyson, you can add whatever you want.

Allyson: I echo everything that you said, that's similar what we experience. In terms of FAMs, yes, we're very close in communication with RAD Strategies, which handles RTT. Then also Visit Virginia City, other relative DMOs. In terms of proactively pitching those FAMs, oftentimes there's a lot of costs associated with bringing them in, so we don't, we just kind of piggyback on the DMO side and time is the constraint. One thing that Leah and I did discuss doing for this year, though, is we have a lot of the VIP mugs from years prior, that we're not allowed to sell and we're not allowed to give away on the train itself.

Actually, putting little packets together with like hot cocoa and a ticket for the media train to some of the local influencers, to see if they'll come. As opposed to sending an email of like, "Join us," it's going to be an actual hand-delivered mug with some hot cocoa and then the golden ticket in there for them to come. That's one way that we're trying to garner our local media.

David: Could I add just-- Forgive me, because I left out the efforts of Travel Nevada as well. Speaking specifically with a Reno-Sparks Convention and Visitors Authority, they too have been great in bringing groups that they've had come into town, whether those are tour operators, receptive operators, they've been wonderful. I know, because of the timing, it's generally been railbikes. We've had the groups from Mexico come out and other countries in the past, pre-pandemic of course, but I do think there's an opportunity. I have talked with Brenda, who runs Department of Tourism and Cultural Affairs.

If they get back up and running with some of the sales-related groups, so tour operators or receptive operators, and they're bringing them in to Northern Nevada, I think that there's a way, I know we can't do the full six hours, but even if they get a shuttle or something, if we put our heads together, we can at least get these folks on the train to go one way. It doesn't matter which way, quite frankly, because I think it's a cool experience either way. As they're coming back with their international offices and adding them back, as they have done over the past, probably six to nine months, we'll start to see these groups coming in. I think there's an opportunity for sure on the sales side, but hopefully on the PR side too. Travel writers or influencers right.

I was in Mexico on behalf of the Reno-Tahoe Territory a couple of months back, and then follow-up on the railbikes. There are no railbikes in all of Mexico. They thought it was the coolest thing ever. Do you know what I was getting the most questions about? Polar Express. I had no idea that these folks knew about Polar Express and I realized this brings a whole new challenge primarily for Allyson and team because now we have to talk about group pricing because that's what they're going to want to know if we're bringing groups

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of 10, or 20, or 30, or whatever people up here versus FIT one-on-one kind of one-on-one. It's something that I have said, probably for the past year and a half. Like, "We need to prepare for this because travel is going to come back, these groups are going to be coming back."

Like Leah up there at VCTC up in Virginia City, I know they're working on some meetings, incentives, conventions, exhibitions, my side of things as well. Well, that's an opportunity for us if people want to do these corporate style events or bring their team out and ride the train. Again, I think we have some great opportunity. We just need to properly position ourselves to be able to take those types of calls. As Allyson alluded to earlier, I think we need some policy development around how are we going to handle these folks because you get the ones, "Oh, I want the whole train," "Oh, I want the whole car," or, "I just need 20 seats," but they want a car to themselves to be able to kind of cater in and bring their own food and beverage. We need to probably create some policies around how we want to handle those sorts of things but great opportunity.

Clay: Well, and I would just challenge us to think, given the time commitment, that the actual train ride is to maybe look a little more creatively. Again, the shuttle piece keeps coming up. I'll just point that out.

[laughter]

Clay: Not to pat myself on the back ahead of the curve a little bit. If we think a little more creative for example shuttling a bunch of people up to [unintelligible 02:04:35] as the train is coming out of the tunnel and watching it work around as a herd of horses is walking down through there. I mean, that's an indelible impression of the train experience that takes a much shorter time. Of course, we can deadhead down too as well. I mean, first thing in the morning if the trains coming down, if it's coming down anyway, throw them on it and they get to ride on down. At the Depot, easy to go on to something else, but just thinking of more creative ways to expose to what the experience of the product is without necessarily having to do the whole train ride.

David: That's a great idea about the morning and we can even do something at night when the train is going back up on Sunday too if we're able to tie in. I know that's a timing thing, as you said, based on when we have the different groups. Actually, that's a great idea. I love the morning idea too.

Clay: Maybe at a time when there's not a lot of other things happening yet. It's fairly early morning to get started, it doesn't take a lot of brain power from people, they can still be kind of waking up and getting going when they can just [crosstalk]

David: [crosstalk] Okay, no, I like that idea. Great, thank you.

Allyson: Thank you. Facebook, and the next one is going to be Instagram, I'm still working on merging the two, in terms of account ownership. A steady increase, not a crazy increase in followers. The percentages here at the 5% is going to be over in comparison to the month prior. Nothing groundbreaking, but consistent [chuckles]. Same thing with Instagram. I did share our story. We did share a lot of stories while we were in Durango getting excited for the Polar Express etcetera. Those have been where we see most of our engagement and with a gradual increase there as well. We do have the media buy that's running. I believe we're closing out, so I'm working on the next media buy for the next fiscal. This would kind of close this out through the end of this fiscal.

This is just the May numbers. We do have our billboards or our posters up because they're a little bit smaller than a billboard. Those are still rotating. There's the various locations there. They're rotating through the Reno market with around a million impressions. Then we are currently running on TV. This comes from our media buyer and we did ultimately have a 93-spots run over a two-week period.

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Just a reminder, we ran with the 5-second and the 10-second ads due to the political window and the availability of being able to get actual space. For example, a thirty-second spot in Jeopardy! cost \$250 but we ran 10-second spots leading into the program, and after the news for only \$65. Just trying to work within our budget and our constraints. I think it says, oh here, 880,000 impressions on our TV campaign.

Then lastly, we do have our online media search and display. We had 3,000 clicks through April and May. Here are the most impressive. Was the search campaign with a 20% click-through rate, meaning that they actually clicked through to our website. The goal would be 2% and we did 20%. We had around 250,000 display and retargeting impressions and this will run through the end of June and then we're putting the plans together for July moving forward. Here, you can see the overall impressions on our ads. Website, this is going to be-- Oh yes.

Clay: I just had a quick question about geographical targeting on this.

Allyson: I want to say it's a 30-mile radius of the Depot. I can double-check that though.

Clay: Right, and that's kind of a leading question to geographical response on ticket buys.

Allyson: Well, that would go to our next slide to our website [laughs]. This is going to be comparative of the previous month. We launched the previous month. Clearly, you're going to see a little bit of a decrease because there was an initial rush to get tickets but we did have an increase in users just a decrease on revenue. Again, we went on sale everyone bought their tickets. "Yes, I'm coming for the summer." When you compare it to the 28-day window prior, there's a 7% decrease. In terms of our top channels, the referral there, which is the green-- You can sometimes argue that the direct is going to be also in relation to the advertising. Someone sees the poster, vtrailway.com, and they put that in and it goes directly to that. The referral is going to be they saw it somewhere else and they clicked on it and then they went to our website. Majority would be in a new visitor. Again, that's a cookies thing that's also associated with that.

What was interesting, this is the first that I've seen it and not set in terms of city, and that's our top city geographically that is going to our website. My best guess, I need to talk to The Antos Agency to confirm my suspicions, but it would be associated with the cookies and don't track my data. When you go to a website and it pops up, and you ask it not to track your data, it's going to go to a not set location because it doesn't know where you're searching from.

David: If they're in a private browser as well.

Allyson: If they're on a private browser, correct.

David: If they type in directly, it will not reference back to a DMA or city.

Allyson: I do anticipate we're going to see more of that as people are starting to understand what that means to not track your location and to use a private browser. Reno being the second most in Sac, San Francisco, and Carson City, if you look at last month's report, Sacramento and San Francisco did bump up, which I thought means our marketing is working.

David: Can I just address it? Clay, I'm pretty sure we were probably buying on a DMA basis so you'd have the Reno [unintelligible 02:11:12] DMA. Then we might have done the Sac DMA as well. That Reno DMA it actually encompasses Douglas County and all of Lake Tahoe, obviously, Reno and Sparks, then Virginia City, I think it even goes to Fallon and Fernley. My recollection is, yes, because then the other one would be the Salt Lake City DMA, which creeps a little bit toward the eastern border. I think our Reno DMA covers pretty good swath of Northern Nevada, quite frankly. I think when we start to analyze our ticket sales down

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the road, we'll probably see ticket sales from a lot of people throughout Northern Nevada, but it would have been influenced by the buy, that was being done.

Allyson: Our targeting, to the best of my knowledge, yes, is via DMA via income, so a higher income bracket as well as age. We're actually searching-- Originally, I was starting at 55. I dropped it down to 45 around when we were doing Mother's Day just because maybe someone wanting to buy something for their mother. We based it on what we were seeing at the Depot. We were seeing grandparents wanting to take their kids. The train is back and running again, they wanted to come back. It was quite sweet. This last weekend, I had a gal come in and she was like, "Gosh, last time I was here I rode with my husband," and she just started crying. She goes, "He's now passed away and I'm just so happy to be here and experience this again and remember him." I'm crying.

David: I'm not crying, you're crying.

Allyson: The stories that we're seeing at the Depot is how we mirrored the marketing, higher fluency, older demographic, somewhat within a driving distance.

Clay: Is it possible, fairly easy for us to pull billings zips for ticket sales?

Allyson: Oh, yes.

Clay: And just aggregate those and see what patterns we find?

Allyson: 100%, yes.

Clay: Because that, I think, is another touch point as far as where the purchases are actually happening. Mostly what I'm interested in is local versus distance, who's driving a little further? Are there hotspots?

Allyson: I know Leah's on the line right now. I'm going to just say this out loud. Let's add a slide that pulls demographics from our ticketing behaviors and just have a slide on, you can have it on DMA. Zip would probably be the best way to do on that.

Clay: Or from your Google Analytics, you could pull a slide specifically from a ticket purchase page or ticket confirmation page and see what that tells us about, not browsers, but buyers.

Allyson: Buyers, yes, 100%. We can even add a line. Right now, our ticketing update is really just, "Here's all of the tickets we sold in June." We can break that down to how many adults, how many children, to see a little bit more of the behaviors. We can definitely add that, Leah.

David: Is she hearing us? Can she hear us?

Allyson: She's on the line. Leah's working remotely for about three weeks. Lucky her.

David: Lucky. Then I would say, let's take this as a first step. Then I think we start to do some concentric radius, within 50 miles, 100 miles, 150, 200 miles, 250. I think I have something at work because we do that for events. I can share the zip analysis that sits inside those concentric circles, those radiuses of, it would be Carson City, but it's close enough. I know the Depot is a little bit further out, but if I can find that. That'd be some cool report because we do that for ticketing as well.

Clay: Once you line up that hotel sponsor, then we have a different piece that we can put in the mix.

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David: Yes. Our shuttle sponsor was Storey County, which has been wonderful. Tesla for the batteries to power up the facility. This is great. I like your ideas.

[laughter]

Allyson: Great. Are there any additional questions on the operations update? I know it's a little bit longer, but we had a lot.

David: Great job. Well done. Any questions? Thank you very much. Again, thank you for attending the PEX training and coming back with that great information to help us move forward.

Allyson: I will be going every year. It was quite fun and informative.

b. **TRAIN OPERATIONS REPORT – THOMAS GRAY, VTRR**

c. **ATTORNEY'S REPORT – MICHAEL ROWE**

David: Fantastic. I think Tom is not on so we'll skip 14B. We'll go ahead and move on to 14C, attorney's report. Mike Rowe. Mike, do you have anything you want to throw out there at us?

Mike: No, there's not been anything unusual going on.

d. **ENGINEER'S REPORT – KEN DORR**

David: Okay. Wonderful. Thank you, Mike. With that, we'll move on to 14D, engineers report. Mr. Ken Dorr.

Ken: Thank you, David and members of the board. I'll try to talk fast as I don't talk fast enough as it is. Gabe is just more or less completed his first round of some fairly significant surfaces in lining work on the Overman embankment. We're going to have to go back and touch that track up again, but it's looking a lot better than it was. Again, that's not the major reconstruction work but pretty significant work. That's really what we just got done. The boring stuff is the workup coming, we're going to also have some work train and liner rental expenses coming in this month, I believe. Coming up this new year the usual stuff. We're going to have to buy some ballast. We're going to have to do some resurfacing at the Overman. Gabe's going to run this ballast regulator joint oiling.

We're going to have to do a little bit of minor repairs, painting, and rust removal issues and a little concrete issue at the bridge on highway 50. Relatively minor but we're trying to get those taken care of. Gabe has still got his list to do some track welding and grinding when it rains again this fall. Miscellaneous work as required, some ditch cleaning that'll be in the fall, and possibly culvert work there too. Signs were in pretty good shape there, but I'm sure we need a few more. We do have a purchase order in to buy a minimal amount of track material from A&K Railroad Materials. Gabe is going to be following up with them to see if we can actually get it delivered. They've got it in Salt Lake, but it can't seem to get here, so oops.

Then regular inspection in signal and track work. The one item I saved for last on the upcoming work is, it doesn't even happen usually until October, we'd like to get the pre-emergent down for the chemical to kill off the cheatgrass. The big question is last year, we were able to get Storey County to generate a check for us so we avoided paying taxes as well as if it went through Gabe, he was going to mark it up a gazillion percent. You know how he is. I don't know if we can do that again or not. Another [unintelligible 02:18:26] with a credit card. Plus, he was able to get us a discount by paying in advance.

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David: We did count on that front. We did put the additional money in the fiscal '23 budget. I think if they're able to invoice us directly, but do they only accept a credit card or could we do the [unintelligible 02:18:45]?

Ken: No, you have to pay in advance. Unless we want to set up an account with them which that's not really an option because it has to go through Storey County. We have to pay in advance. It could be a credit card or check. The way it worked last year, they gave us basically, a quotation. Jim was able to work with Storey County to get a check cut-

David: Oh, perfect.

Ken: -for that prepayment, is what it amounts to. If we can do that, again, we'll save a little bit of money.

David: Let's do that. Jim, are you comfortable to help assist with that in July?

Jim: They're set up as a vendor now because we got all the information for them. We should be able to do it. Just get the order costs, get that in one of the check runs and the check will come out.

Ken: It sounds good. We'll coordinate that when we get a little closer. End of the summer and we'd like to order it a little bit early just in case they run out or they have a problem in Ukraine or something [unintelligible 02:19:37] with the petrochemicals.

David: We can't get rock, yes.

Ken: The last thing I want to touch base, and David I've talked a little bit about this, is maybe a revamp on our phone system. What it amounts to is we're required by federal statute to have an emergency contact number for all of our at-grade railroad crossings. The only one that signalizes is Linehan Road. There's a stipulation in the statute that says if you're running less than 15 miles an hour, you can go with a telephone answering leave a message onto an answering machine. As long as you take a look that answering machine before you run any trains, then then you're good to go. What it doesn't really cover is Linehan Road because, number one, that's more than 15 miles an hour. Number two, that's the one that always where our problems are where it needs instantaneous attention.

As you'll recall last October, we had quite the fiasco. We had gates activated and the emergency number was called. They left a message, no response, so Liz with the follow-on company to Art Wilson, ended up calling Lyon County. The person that had at Lyon County didn't know how to get ahold of us. They called the Union Pacific Railroad and the Union Pacific Railroad says, "We don't have any tracks there." Then finally it got dawned on somebody at Lyon County that-- I'm not sure if they called me or Tom and we were able to, at that point, respond to the issue. That's one of the issues.

The other thing is the emergency number that's on the crossing is the phone-tree number. It's the same number that you would call to get information about the railroad in general. When you look at that recording, it says, "If you have a vehicle stuck on the track, dial zero," and then general information about ticketing or railbikes, and this and that, which is good, but I'm an old guy. I never do anything except dial zero so that's what you get. The problem that we've got is that, during the Polar, it was quite prevalent, is that we were getting a number of emergency phone calls which weren't emergencies. "How do I get to the depot? I'm lost." "How do I get refunds? I need to get refund tickets," because they may have tried one of the other extensions didn't get a call back so their frustration hit zero.

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The other thing that's wonderful is when you go through this phone tree you don't know what number is coming through so I get to talk to all extended warranty, insurance salesmen also because we can't not answer emergency call. If we can revamp, that would really be helpful.

David: Ken could I ask you a question? Would your recommendation be to have a specific additional number just for emergencies that we put on the signage and remove it from?

Ken: Yes. In other words, I say let's go back to how it was before. Now, what we had before, initially, we had an 800 number. It was \$80 a month and they had a phone tree of people they would call; they would call myself Gabe the chairman of the commission.

David: Oh. She's, "I'm busy."

Ken: Whoever else. Allyson, we can establish whoever wants to be on that emergency contact list. Doesn't necessarily have to be 800 but someone really needs to answer that phone. Calling 800, pressing one is when someone gets a person when you call in and they can then-

David: It just rolls to the next.

Ken: -they will get a hold of whoever.

David: What I'm not sure of-- I know that she mentioned they're getting 40 to 50 calls or whatever a day. We are also getting calls that are coming off but then we get the same thing that folks were not able to get through and so my team ends up taking these calls about their tickets and we, of course, cannot address the questions either, so we're trying to put them back through and tell them the correct number to push so they get Allyson or Leah, who can handle the ticketing side of it. I know there are issues with Freedom Rail as well because that's forwarding to another mobile number. When you hit that button, it goes to a different number.

What I'm thinking it might be happening is either when somebody is already engaged with, say Tina on the Freedom Rail side, either it's not allowing the calls to go into a voicemail or it's going to Tina's voicemail and that's why they're saying, "We can't get ahold of anybody." "Well, she's probably on the phone with somebody else and then picking up another call and another call." The same thing could be true for my team as well when it connects through to our main number. If we're on, it may go into a voicemail and we have a lot of people that don't leave a voicemail or anything that and they they're probably getting frustrated.

I don't know how to resolve that for the normal ticketing, the normal refunds, or they want to buy tickets, or whatever the case may be, but I do hear what you're saying about the emergency side of things and I think maybe we need to explore decoupling press the zero and just get rid of the emergency thing.

Ken: I'm thinking, it's not a bad idea to have-- If there's an emergency you want to know about it. Have it on the general number. That's fine, but maybe we don't use zero. Maybe go through the list and say, "if you have a specific emergency, someone's stuck on the track, or you have a burning truck,-

Clay: Press 4472735.

Ken: -then dial 10," maybe.

David: We could do that, sure, but it doesn't resolve the bigger problem though from your perspective, which is something dedicated for the emergency side of things.

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Ken: Yes. When I see a strange number come in during operations season particularly, I will pick it up just because it may be the-- and it's not one number. When you look on your caller ID, it could be from Arkansas or New York or whatever and I'm going, "Well, this is a New York emergency number calling," Well, it turns out it's a salesman. The last phone call I had was certainly not interesting. It was, "Is there a shuttle to get back and forth." [chuckles] Anyway, I said, "Well, I don't believe there is but give me your phone number and I will pass that all night." I called Leah, left a message with her and I'm sure she called the person back. It needs a little refinement but my main concern is that, from a safety standpoint, that emergency number is something that we can rely on.

David: No, I agree.

Clay: I was going to say, it may be as simple as grabbing a Google Voice number, which can be forwarded or have its own voicemail. You can basically tell it to do anything. It doesn't cost a thing.

Ken: That went way over my head but sounds good to me.

[laughter]

Clay: It's the same as buying an 800 number basically. You just don't have to buy it and you can then tell it what to do whether that's a voicemail message or you can change who it forwards to. You can have it forward to the main phone system at times. If trains aren't running, whatever, then it kicks them into the normal system which would have a message for, "If it's an emergency, here's how you do that." There are paid solutions too, Grasshopper and others that

Ken: Again, my concern is that when a state rail inspector comes up or possibly one from Sacramento and they say, "Let's try that number and see what happens."

David: Yes. Nobody answers them [crosstalk].

Ken: They'll say, "Okay," in which case we're not going to get fined or arrested or whatnot which we could if it was really bad, but we'll get a nasty little report saying, "Fix it. Fix the ticket."

David: Well, I like your idea for sure about not making you guys the zero. I almost think maybe that should be the number that would go through to Leah and Allyson since probably, predominantly, the calls are about ticketing, buying a ticket, or a refund, or maybe we just we record the whole-- reorder the script and re-record the script or something. Go ahead. Yes.

Allyson: I was just going to say, you could probably keep the whatever the number is at the beginning for emergency by not making it zero because I think people think zero is an operator that's ready on standby. If you made it, "Pound one zero," or just something different but you still had it at the beginning of the recording because obviously, we don't want somebody to have to go through all the choices first.

Speaker: Someone's dying there, and you don't want them to have a shift.

David: Option 47. Yes.

[laughter]

David: I think I can talk to Allyson or Leah about that because I think they recorded that whole setup or whatever with the Grasshopper or whatever it is that we have, cricket or whatever. At least cover that part of it and then let's look for more long term.

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Ken: Anything I can do? I think I've already made enough problems already slowing the [crosstalk].

David: No. How many problems has Ken made? That's six that I counted not that I was tracking. No. Sounds good Ken and I cut you off because I think you wanted to say something else, so if I stopped you--

Ken: It's not related to that subject. I should have said something. It's been my pleasure to work with Mike Rowe on this project since the early, basically, early '90s is what it amounts to. I know Mike has worked on the reconstruction of the railroad even when he was in college. He was looking at it in the '70s trying to help out get the railroad reconstructed. He has been extremely dedicated to this project. I do remember the one time he was at the tri-county commission days when the Railway Commission finally got set up. I forget who the commissioner was. It might have been [unintelligible 02:29:53] yelling at him and saying, "You need to charge more than \$65 an hour for legal services." I think he doubled his rate to about half of what his normal rate is. He has always given us a discount, and he's always gone the extra mile.

Mike was responsible for and led the entire Right-of-Way acquisition for all of this project. There were over 100 parcels we needed to get Right-of-Way from. Each one of those required a certain amount of negotiations and/or please donate it or not. A tremendous amount of effort that he put in and the commission never saw bills for a lot of that work. Again, it was a labor of love and still is I think for him. He can't be commended enough as far as I'm concerned. You guys need to get him a plaque at least. That's all.

David: Yes, no, yes, don't get ahead of us. No, thank you. Agreed. Thank you for that, Ken. Any questions for Ken on the engineer's report?

e. UPCOMING MEETING:

1. COMMISSION MEETING ON JULY 27, AT 9:00 AM.

David: Okay, let's go ahead and move on to 14E upcoming meeting. Our next regularly scheduled meeting will be July 27th, Wednesday at 9:00 AM. If you can get that on your calendars, please.

15. COMMISSIONER COMMENTS OR ANNOUNCEMENTS, AND REQUESTS FOR INFORMATION:

David: We'll go ahead and move on to 15, commissioner comments or announcements and requests for information. Anybody have anything they want to throw out at this time? Go ahead, Jim. Yes, please go ahead.

Jim: I've heard a couple of times about the "I don't know where to go for tickets". I think as part of the process that we're going through with negotiations with Tom and V&T Railroad. The railbikes will come up next year. We need to start talking about having a better system of going to a single place for all the tickets and then they can pick the ticket that they want. This, "You've gone to the wrong place," or "I don't know about anybody else," I think we're losing some sales by doing it that, by having it divorced.

David: I'll tell you I think it's appropriate. I was obviously at the Depot over the weekend and a gentleman who's a photographer, videographer, he'd just come from Colorado riding trains. He was here then going to Oregon to ride. I don't remember which train or trains he was riding up in Oregon. He had no idea that we existed quite frankly as a train ride, one. I spent about 15 minutes with him. Actually, Tom was in earshot because he had first engaged Tom. Then I wound up chatting with him. A very nice man. He said the same thing. He said, "You guys are losing a lot of revenue." He said, "I had ride trains all over the country and yours is the most convoluted setup as far as confusion between VTRR," Tom, "VTRC," us.

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Short line, the thought was that went in the canyon, even though it's really Tom's up top, then you throw the division of museums in history with the Nevada State Railroad Museum because you can go over there and ride the McCain or one of their cars around. He was very nice and very diplomatic of how he brought his concerns to my attention. He said, "I didn't know anything about you guys," and it wasn't until he was here and then confusion up in Virginia City over our train versus the train that he had actually bought the ticket to. Yes, I totally agree, Jim, with your sentiments about that. I think it's actually a bigger problem and we are probably even realizing ourselves quite frankly because most people may not be as vocal because they've eventually figured it out.

What I'm trying to have my team do. I tried to ask this gentleman on Sunday afternoon, "Where did you start? What was the website or the social media channel or whatever medium that you started with? How are you initially hearing about us?" He couldn't remember back because, again, he was doing this whole train thing throughout the Western US. That's what I ask my team when we get these frustrated calls as well or the people that actually come into our visitor information center and realize that there's no train running on Wednesday. We think they probably booked the train up in Virginia City, not our long-line excursion train. We're trying to figure out how are these people finding out about our train or, in their opinion, the train. Then maybe that'll help us figure out, yes, how to come up with a better solution because you're right.

I think we have three different and they're not competing, but three different ticketing options if you include the museum. I don't think people are realizing which one that, actually, they paid for half the time. Well, I know that based on the people that are coming into the visitor information center and some people are like, "Oh, we can ride a train over at the railroad museum?" Yes. I do agree with you, especially going through the negotiations with Tom, I think it's important. Then for sure with the railbikes coming up. Yes, we'll add that on our list of things to do. I just-- Oh, go ahead Jim, sorry.

Jim: Add it to the strategic plan.

David: Yes. Perfect. Yes. Agreed. Yes. I do want to give a personal thanks to Tom and his entire staff. We as Visit Carson City are in the process of re-branding a brand-new creative campaign brand, the whole nine yards for Carson City. We have been shooting all over the place-- as in the video. Let me preface that. Not guns, but video, drone photos, the whole nine yards, multiple occasions throughout Carson City. On Sunday we did the V&T. I'll figure out a way to incorporate these into, maybe I can show them or something during the next meeting, but Tom was awesome.

We waited, we timed this out with Tom to wait until everybody exited the train on Sunday night. We started at the bridge and went up through the Halfway House, through the Linehan crossing. We had cowboys and these were professional guys, which was awesome. We had the actors, the whole nine-yards, sisters on the train. Ran it down, backed it up. Ran it down, backed it up. We got the train underway at 7:30 on Sunday night. We met Tom [unintelligible 02:36:55], but he was just fantastic. The crew was awesome with the exception that they kept looking at the drone and the camera so I heard Tom, "Stop looking at the camera and just look ahead like you're doing your job."

Anyway, it was a wonderful shoot. This company that we used, some of these guys, one gentleman, he had worked on *Top Gun: Maverick*, the *Mission Impossible* movies. We had some incredible filmmakers who, when they found out that there was going to be a live-action sequence with a steam train, with pulling the cars, it was like a bucket list thing for these folks. We had these additional people as a part of this whole, whether we are not paying full bout for, but they just wanted to be a part of it because they'd never been a part of a shoot with a steam engine. We had the smoke and the steam coming out of every nook and cranny on this thing. It was pretty cool.

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My hat's off to Tom and the team up there. Anyway, I just wanted to make mention of that. I look forward to sharing that product with the commission to use as they see fit for marketing and PR purposes. Cool deal. Anyway, anybody have anything they want to say before we move on? Okay. Thank you.

16. PUBLIC COMMENT:

David: We'll go ahead and move on to our final public comment. I don't see anybody that looks like they want to make a public comment in the room. Is there anybody on the phone number?

Kevin: There are no callers on the line at this time.

17. FOR POSSIBLE ACTION: To Adjourn.

David: Thank you, Kevin. All right. We'll move on to 17, possible action. If I could get a motion to adjourn. We're adjourned. Thank you, everybody.